

802 Spirits™

Annual Report 2018



 VERMONT
DEPARTMENT OF LIQUOR CONTROL
liquorcontrol.vermont.gov

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Message from the Board



January 1, 2019
Honorable Phil Scott
Governor of Vermont
Montpelier, Vermont

Governor Scott,

Left to Right: Devon Fuller, Julian Sbardella, Martin Manahan, Sam Guy, (missing from photo, Tom Lauzon)

It is my pleasure and honor to submit the 84th Annual Report of the Vermont Liquor Control Board for the fiscal year July 1, 2017 through June 30, 2018, in compliance with the provisions of Section 109, Title 7, Vermont Statutes Annotated.

During the previous twelve months, the board has evolved into governing the Lottery Commission as a result of recent legislation merging the Department of Liquor Control and the Lottery Commission to create the Department of Liquor and Lottery, effective July 1, 2018. It is an honor to serve as your Chair. I would like to thank my fellow board members for their dedicated service in assuring the smooth operation of the Department of Liquor Control.

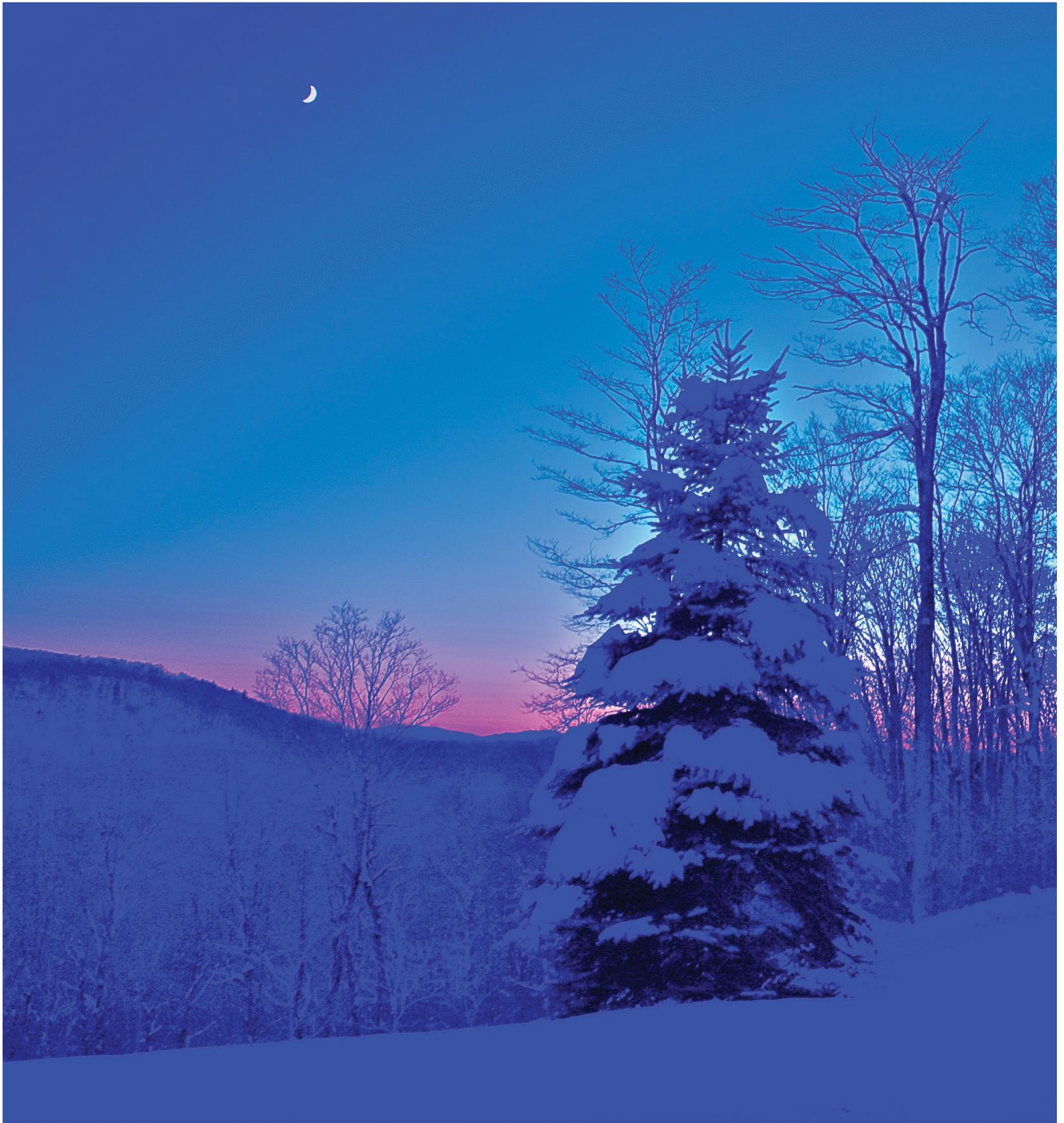
The Board strives to ensure the consistent operation of the Vermont Department of Liquor Control and its procedures in conformance with our mission. The continued success of the Department relies on the dedicated group of employees and management that continuously look for ways to build our brand while at the same time educating the public on the safe and responsible consumption of alcohol.

The success we have witnessed could not have been accomplished without the terrific support and dedication of our agents and the Vermont Legislature.

In closing, I trust you will find the enclosed Annual Report informative and educational and are as proud of the success of the Department of Liquor Control as we are. The Department is an asset to the State and continues to positively contribute on a daily basis to the State of Vermont.

Respectfully submitted,

Martin Manahan, Chair
Julian Sbardella, Member
Thomas Lauzon, Member
Samuel Guy, Member
Devon Fuller, Member



Message from the Commissioner

I would like to invite you to read the 84th edition of the Department of Liquor Control's (DLC) annual report. This report will provide you with a comprehensive overview of the Department's tangible outcomes over the past fiscal year. This overview is intended to educate the reader about the functions of the Department, introduce you to our Board members and senior management team, and provide a review of our financial performance in fiscal 2018.

Our organizational goals for the past year have been to continue the progress that has been initiated since 2016 to modernize and professionalize all aspects of the DLC's business model. Fiscal 2018 was a year of profound change within the Department. We are thankfully starting to see traction for several major initiatives that have been in the planning and developmental stage for the past two years. Additionally, the merging of the DLC and the Lottery Commission was finalized and implemented at the end of the fiscal year.

Major projects that are being commenced include the DLC's IT project, new exterior and interior signage for our retailers in support of our efforts to develop our 802Spirits brand imaging. We have improved the accessibility to real-time business data, policy and procedure communications, and product learning tools by creating a retailer web portal. We are also in the early stages of migrating our licensing function to a web-based portal to increase customer service in that area. We continue to evaluate our current policies and procedures to look for ways to improve efficiencies and eliminate wasted resources.

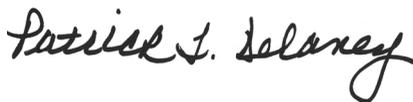
The IT project will ultimately result in new retail point-of-sale hardware for all of our 80 agents and evolve into phase two. This back-office interface will provide us with better sales data, improved fund transfers, inventory management features, and additional business analytics. These projects will assist the DLC in improving the management of our distribution and retail business. We are eagerly awaiting completion of phase three which will ultimately tie our retail sales data and back of the house systems into a warehouse interface which will assist us in refining our demand projection capabilities, inventory management, providing stock location reports, and sales and profit analysis data to better manage our business.

The improved branding efforts for the DLC will be enhanced by the end of the year by exterior and interior signage projects that replace the assortment of historic signage that is both confusing and inconsistent. In addition to interior and exterior signage upgrades, we are also working with AOT to install OBDS signage on state roadways to assist residents and visitors alike to better identify where our agencies are located.

Fiscal 2018 was a successful business year for the DLC. We continued the sales growth trend momentum from 2017. The Department experienced sales growth in all 12 months of the past year. Our annual case volume increased by 13,700 cases (3.2%) and our gross revenue increased by \$3,149,000 (4.1%). This performance provides evidence that the DLC is making positive inroads to providing Vermont consumers with a compelling reason to shop locally for their distilled spirits.

I hope that this report provides you with a better understanding of why the DLC exists, our level of integration with the Vermont business community, what we do for the citizens of the state and our quantifiable monetary contribution in support of State government.

Respectfully,



Patrick T. Delaney



Patrick T. Delaney
Liquor Control Commissioner



Martin Manahan

Marty is the Director of Operations and Business Development for St. Albans City. Over the last several years, he has been deeply involved in the revitalization of downtown St. Albans including a four-million-dollar streetscape redevelopment, the development of a five-deck parking garage which services a newly built Downtown Hampton Inn and a forty-thousand-square-foot State of Vermont office building. Marty has served on the St. Albans City Zoning Board, the Development Review Board, President of the City Council and Mayor of the City of St. Albans for six years, from 2006 through 2012. Marty is also a member of the Northwest Regional Development Board, the St. Albans City Downtown Board of Civil Authority and is a Justice of the Peace. He lives in St. Albans City with his wife Lisa and four children: Sean, Samantha, Isaac and Ian.

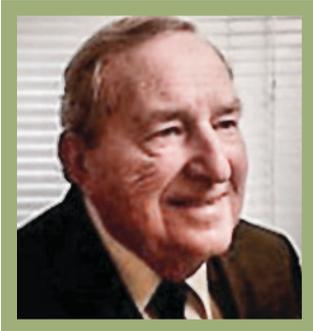
The Board

The DLC is governed by the Liquor Control Board (the Board) and a Commissioner. The composition of the DLC is described at 7 V.S.A. 5, § 101. The Board was created by state law in 1933. The Board consists of five members who are appointed by the governor and confirmed by two-thirds of the state Senate.

The duties of the Board are described under 7 V.S.A. 5, § 104. The Board's primary responsibility is to see that the laws relating to alcohol and tobacco are enforced and that the DLC collaborates with other law enforcement entities in the state. They act as a judicial board in hearing and adjudicating violations by its licensees and permittees. Board decisions are available on the DLC's website.

In addition, the Board supervises the opening and operation of local Agency stores involved in the sale and distribution of alcoholic beverages; supervises the financial transactions of the central office and the Agencies; makes rules and regulations regarding manufacture, sales, transport, labeling and advertising of malt or vinous alcoholic beverages, spirits and fortified wines; and adopts rules regarding intrastate transportation of such beverages.

Board Members



Julian Sbardella

Mr. Sbardella was appointed as a member of the Board on July 3, 2012 to finish an existing Board member's term and then was re-appointed on February 13, 2013. A native of Fair Haven, Vermont, Mr. Sbardella graduated from Fair Haven High School, then as a business major from Becker College in Worcester, MA. He has been involved with the liquor industry since 1960. From 1960-70 he was a licensee. In 1978, he became a Vermont liquor broker representing several brands. From 1996-2010, he became the Vermont supervisor for United Beverages, Inc., which later became Southern Wine & Spirits. Mr. Sbardella retired in 2010. His term expired on January 31, 2018. We thank Julian for his years of service on the DLC Board.



Thomas J. Lauzon

Mr. Lauzon was appointed as a member of the Board on July 21, 2015. Mr. Lauzon is an accountant and developer, and has had a long career in Vermont, including as the mayor of Barre, Vermont, from 2006 to 2018. His term expires on January 31, 2020.



Devon Fuller

Governor Phil Scott appointed Devon Fuller a member of the Liquor Control Board on August 20, 2017. Mr. Fuller moved with his family to Vermont from Western Massachusetts ten years ago. He has been publicly involved in his hometown of Brandon since moving there. He was on the local Neshobe school board for six years. Mr. Fuller is currently serving his 8th year on the select board. As of January 2017, Mr. Fuller became president of the Downtown Brandon Alliance, which is a 501(c)(3) that is dedicated to Brandon's Designated Downtown program. Mr. Fuller is grateful to have the opportunity to further serve the citizens of Vermont and looks forward to working with the Department of Liquor Control and its Board. His term expires in January 2020.



Sam Guy

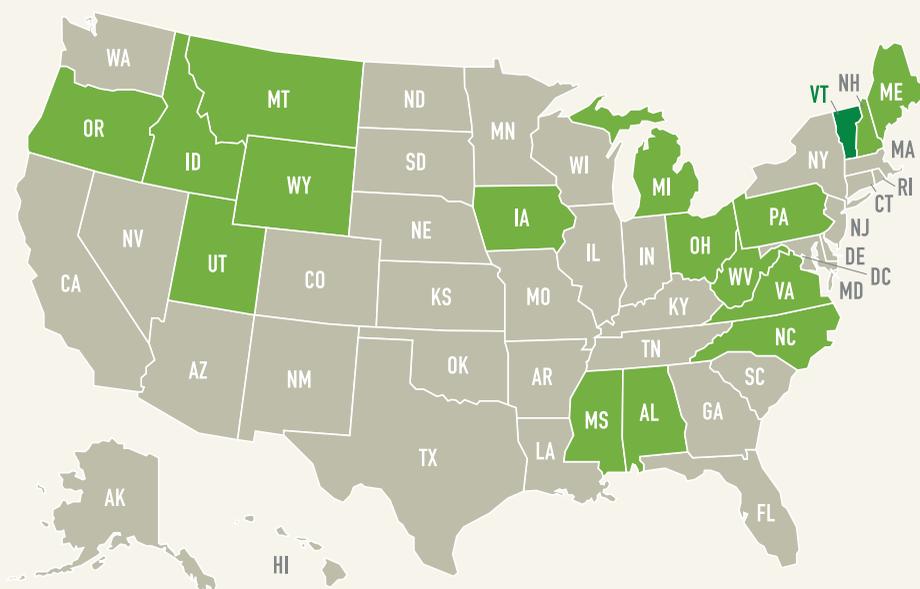
Governor Phil Scott appointed Sam Guy as a member of the Liquor Control Board in May 2017. Sam is a native Vermonter who graduated from Peoples Academy in Morrisville and from Champlain College. He took over his family's business in 1985, growing it from a single dairy feed store to four retail stores specializing in pet food and supplies, equine, wild bird, lawn and garden products, and wood pellets. His wife and two grown sons are also active in the business. Sam has always enjoyed serving on local boards in his community. His term expires in January 2022.

History of the Nation's Liquor Control States

Introduction

Following the repeal of Prohibition in 1933, Vermont became one of twenty-one jurisdictions nationwide that controlled the sale of alcoholic beverages within their own borders to permit local option on this controversial issue. Currently, seventeen states and jurisdictions have adopted forms of the "Control" model. These jurisdictions account for almost twenty-seven percent of the U.S. population.

These "Control States" or "Control Jurisdictions" established their own system of control over the wholesaling and/or retailing of alcoholic beverages. The control system has withstood the test of time because it is fundamentally sound. It is flexible enough to adapt and evolve to meet the changing demands of consumers as well as those involved in the supply chain.



About the DLC



Many control states and jurisdictions control retail sales whereby their citizens purchase liquor at a state liquor store or a designated agency outlet. Vermont owned and operated many of its own stores until 1996 when it transitioned completely to an agency system, as mandated by the Legislature.

The DLC is the regulatory agency responsible for enforcing Vermont's alcohol and tobacco statutes and regulations. This includes licensing the sale of alcohol at bars and restaurants, the sale of beer, wine and tobacco at retail stores, and enforcing compliance with laws and regulations related to service to impaired persons and alcohol and tobacco sales to minors.

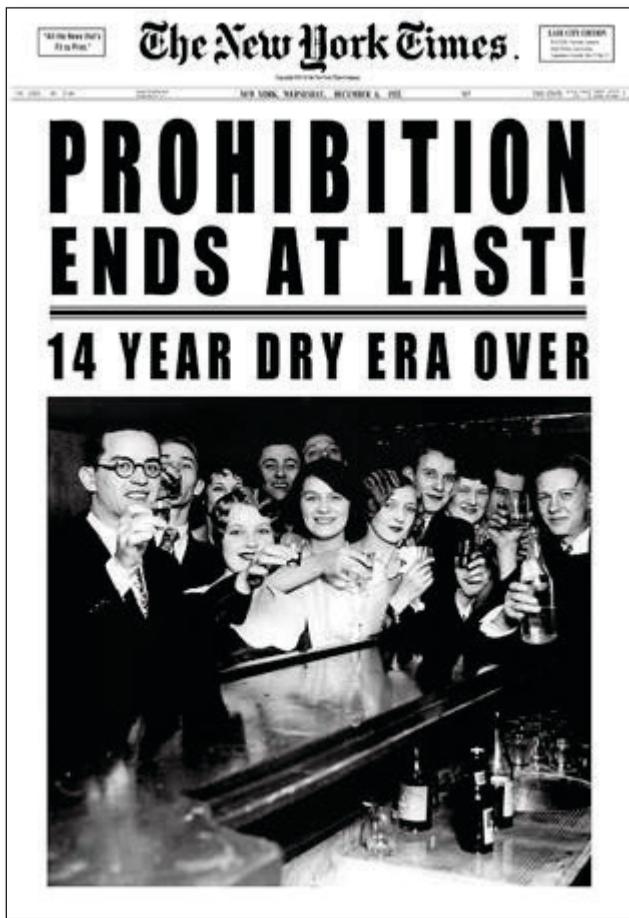
The DLC licenses the sale of beer and wine to private businesses but retains control over the sale of beverage alcohol (e.g., spirits such as whiskey, vodka, gin, tequila, etc.).

The DLC is responsible for purchasing, pricing and retailing of beverage alcohol and directly controls its sale and regulates all persons involved in the alcohol supply chain at any level in the state. As the exclusive seller of liquor, the DLC applies a 65-85% markup to the cost of products to establish retail shelf prices for liquor. This markup includes the required 25% state excise tax.

Vermont's system of liquor control provides benefits to all of Vermont's citizens. We believe Vermont has found the right balance between too much availability, which leads to increased consumption and over-regulation, which inhibits good customer service.

Vermont is proud to be a control distribution jurisdiction and the DLC continues to evolve to optimize the benefits of the control jurisdiction, while improving service to our consumers.

The History and Future of the DLC



The DLC was created in 1933, when the 21st Amendment to the U.S. Constitution repealed the Volstead Act (Prohibition).

When Prohibition was repealed, the process of determining the method of regulation of alcohol beverages fell to the states and counties. In response, all states instituted some form of three-tier system of producers, wholesale distributors and retailers to promote moderation in consumption, prevent concentration of power and raise revenues through taxes. The DLC is tasked with issuing liquor licenses and permits, providing education, and the enforcement of state and federal laws relating to alcohol and tobacco.

The DLC is here to serve the public by preventing the misuse of alcohol and tobacco through controlled distribution, enforcement and education, and the Department strives to provide excellent customer service by operating efficient, convenient liquor Agency stores throughout. Our system of selling alcohol achieves a delicate balance between offering a great selection of products at reasonable pricing at 78 convenient locations around the state.

Studies prove that regulating sales reduces consumption, thereby limiting the physical and social damage caused by the misuse of alcohol. States with less alcohol regulation, in general, have more issues with alcohol abuse, higher prices and less selection of products than our state. Moderation and temperance in control states generally reduce social costs associated with alcohol consumption.

The control system itself continues to provide a regulatory environment that serves both as a visible symbol of the public commitment to moderation and as a vehicle for the promotion of alcohol education and awareness programs to support that commitment.

2018: Year in Review

Legislative Summary

On June 7, 2018, during a special session of the legislature, H.7 (Act 1 of the special session) was passed by the General Assembly. The bill, which consolidated the Department of Liquor Control and the Lottery Commission, was signed into law on June 19, 2018, creating the new Department of Liquor and Lottery and a single board. The consolidation became effective on July 1, 2018. The DLC will now be the Division of Liquor Control and the Lottery is the Division of Lottery. The consolidated department will submit a single annual report for fiscal year 2019.

On April 27, 2018, the DLC Office of Compliance & Enforcement and Vermont Highway Safety Alliance set up interactive displays in the Card Room at the State House. The DLC display included a terrarium of over one-thousand fake drivers licenses that had been seized by DLC investigators as part of a coordinated effort to prevent underage individuals from using these IDs to gain access to alcohol. The effort was funded as part of a grant from the Health Department which allowed the DLC to purchase portable ID verification equipment and supported the deployment of DLC investigators and local police to cover numerous licensed establishments over several weekends.

DLC Happenings

- Martin Prevost transitioned after 19 years in the Compliance and Enforcement Division to the Director of Licensing, overseeing the licensing and permitting for the Department. We thank Martin for his 19 years of law enforcement service with the DLC and look forward to his continued role as Licensing Director.
- The DLC has continued to reduce “special order” products including returning some unsold products to the suppliers, and selling some high-end products, including a bottle of Remy Martin Louis XIII Cognac, that sold for over \$3,200.00.
- The Office of Compliance and Enforcement hired a new investigator on May 14, 2018. Weiland Patrick “Pat” Ross joined the OCE and will cover the greater Lamoille and Washington Counties. Prior to coming to the DLC, Pat was an officer with the Barre City Police Department and has served time in the United States Army.

NABCA Conference

Commissioner Delaney and three other members of the management team attended the National Alcohol Beverage Control Association (NABCA) annual meeting in May.

The National Administrators Conference brought over 250 attendees from the control states and jurisdictions as well as other leaders and industry members.

The keynote speakers were David Ignatius, an American journalist and novelist, and Retired Admiral James Stavridis who has served as NATO’s 16th Supreme Allied Commander Europe and 15th Commander of the U.S. European Command (2009-2013), Head of U.S. Southern Command (2006-2009), Dean of The Fletcher School of Law and Diplomacy at Tufts University, and Chief International Security Analyst for NBC News. The presentation was insightful on filtering out the bombast of the current news situation and in giving a clear and concise geopoliti-



cal picture of the world. These two preeminent speakers with years of experience played off each other for a lively and punctuated presentation with well-placed humor.

In addition, there were business sessions, seminars and workshops on everything from the gender gap in the industry to alcohol regulatory and policy updates.

PAST...



PRESENT...



Bradford

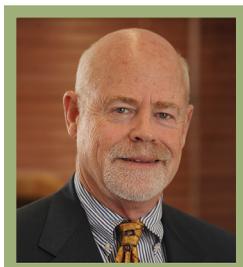


Jeffersonville Country Store – new exterior signage



Beverage Baron roadside sign

Administrative



Patrick Delaney, Commissioner

Mr. Delaney was born and raised in Seattle, Washington. In 1982, he graduated from Washington State University with a Hotel and Restaurant Administration degree. His post-graduate career in the hospitality industry started at the Seattle Sheraton Hotel and Towers. In 1991, Patrick initiated a career change into the wine and spirits brokerage business. Over a 25-year career, Mr. Delaney matriculated from on- and off-premise sales, to partnership and ultimately majority ownership of Phoenix Wine and Spirits (PWS). PWS was the largest wine brokerage in Utah for a decade. Southern Wine and Spirits purchased his company in 2013 and employed Patrick as a portfolio manager until he accepted a position as commissioner of the DLC. Mr. Delaney moved to the great state of Vermont in February 2016 to embrace the challenge of leading the DLC to a brighter future.



Gary Kessler, Deputy Commissioner

In March of 2016, Gary Kessler of Fayston, Vermont accepted the position of Deputy Commissioner. He is a graduate of Hobart College and the Boston University School of Law. Mr. Kessler is also a graduate of Vermont's Public Manager Program and ANR's Leadership and Management Program. He has over 30 years of experience working in state government having most recently served as the director of the Compliance and Enforcement Division at the Vermont Agency of Natural Resources. Mr. Kessler worked as an environmental prosecutor at ANR, and spent ten years as a deputy state's attorney where he managed the Appellate Unit and the Department's legislative activities. With his extensive experience in the operation of state government, he was brought on to complement the liquor industry and control state experience of Commissioner Delaney.



Theresa Barrows, Director of Marketing

Theresa was hired as director of marketing in November 2016. Her broad marketing experience in the sporting goods and coffee industries will guide the modernization of the DLC brand with the Agents and the consumer.



Kim Walker, Director of Retail Operations

Kim was hired in November 2015 and comes to the DLC with over 20 years of retail management experience. She oversees three Retail Coordinators and over 75 Agency Partners.



Skyler Genest, Director of Enforcement and Compliance

Skyler Genest was promoted to Director of Enforcement and Compliance in August of 2017 after four years as a DLC investigator where he was responsible for much of Lamoille County, including the town of Stowe. He oversees a team of 12 investigators including three sergeants.



Linda Vincent, IT Manager

Linda Vincent is IT Manager and has been with the state for over seven years, with six of those in DLC. She technically reports to the ADS, but oversees the IT for the DLC.



Tonia Pryce, Purchasing Manager

Tonia Pryce is the Purchasing Manager with over 23 years at the DLC — 13 years as the Enforcement Coordinator and 10 years in her current role. She manages the product procurement and inventory management.



Sgt. Melanie Gaiotti, Director of Education

Sergeant Melanie Gaiotti has spent 15 years in the Office of Education and she and one staff member manage all of the alcohol and tobacco training for the state. Sergeant Gaiotti heads up the DLC Office of Education that develops and implements trainings for businesses and their employees with alcohol and tobacco licenses, as well as having developed the alcohol training for law enforcement that is used at the police academy.



Martin Prevost, Director of Licensing

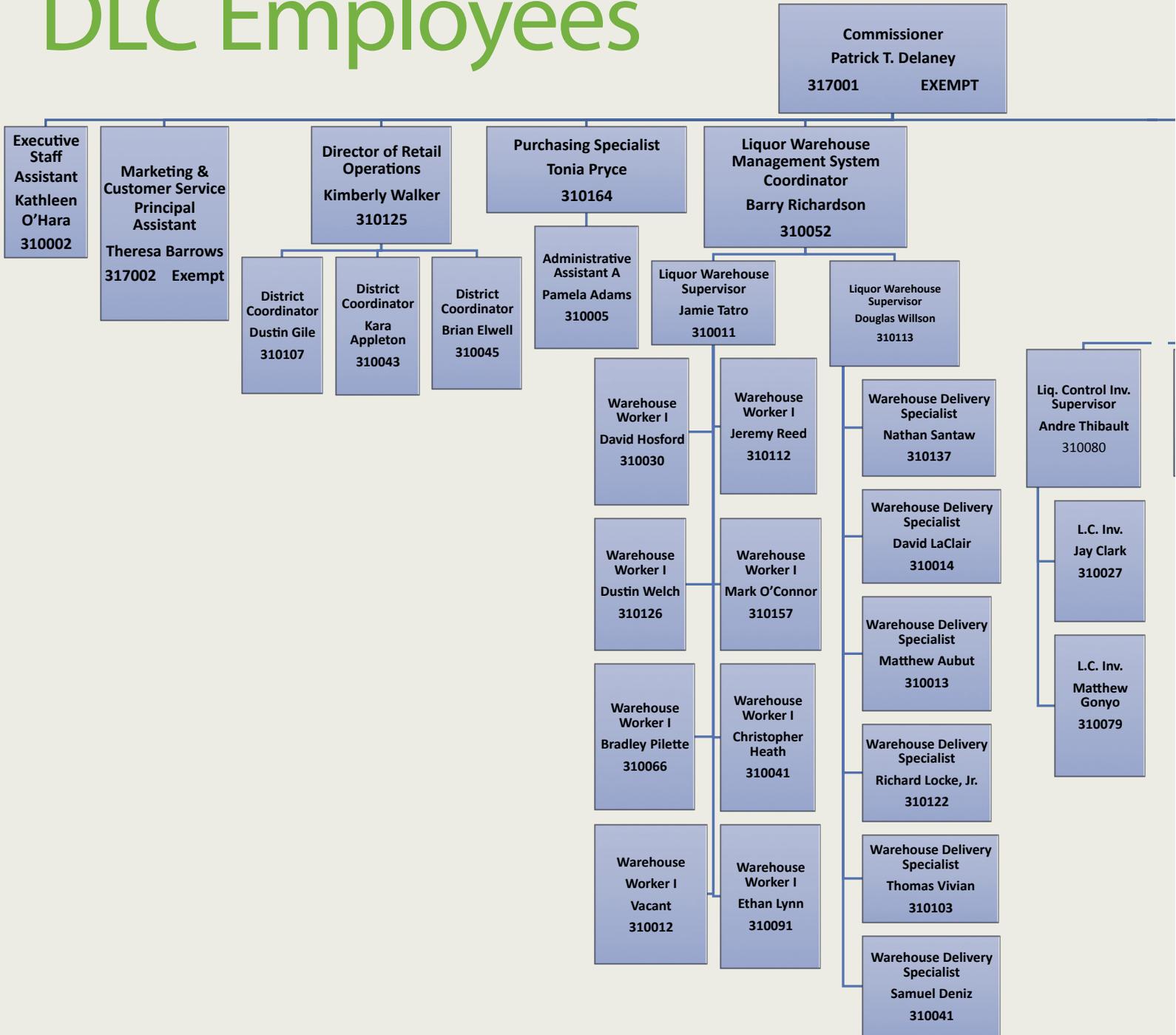
After 19 years in Law Enforcement for the DLC, Martin Prevost retired his position as Sergeant in April 2018 and was hired in his current role as Director of Licensing. He manages a team of three who coordinate and issue all licenses and permits for alcohol and tobacco sales around the state.



Barry Richardson, Distribution Center Coordinator

Barry Richardson, Distribution Center Coordinator, has been with DLC since 1990 when he was hired as a temporary employee. He has worked his way up the ranks and now oversees a staff of 16 warehouse employees.

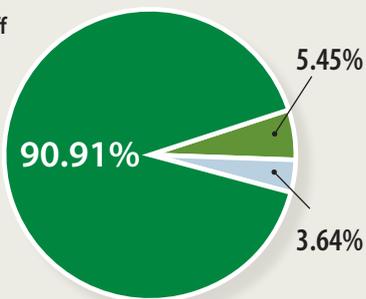
DLC Employees



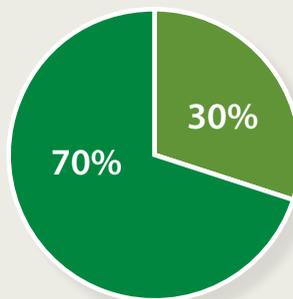
Employee Statistics

55 Total DLC Staff

- 50 Full-time employees
- 3 Exempt employees
- 2 Limited employees

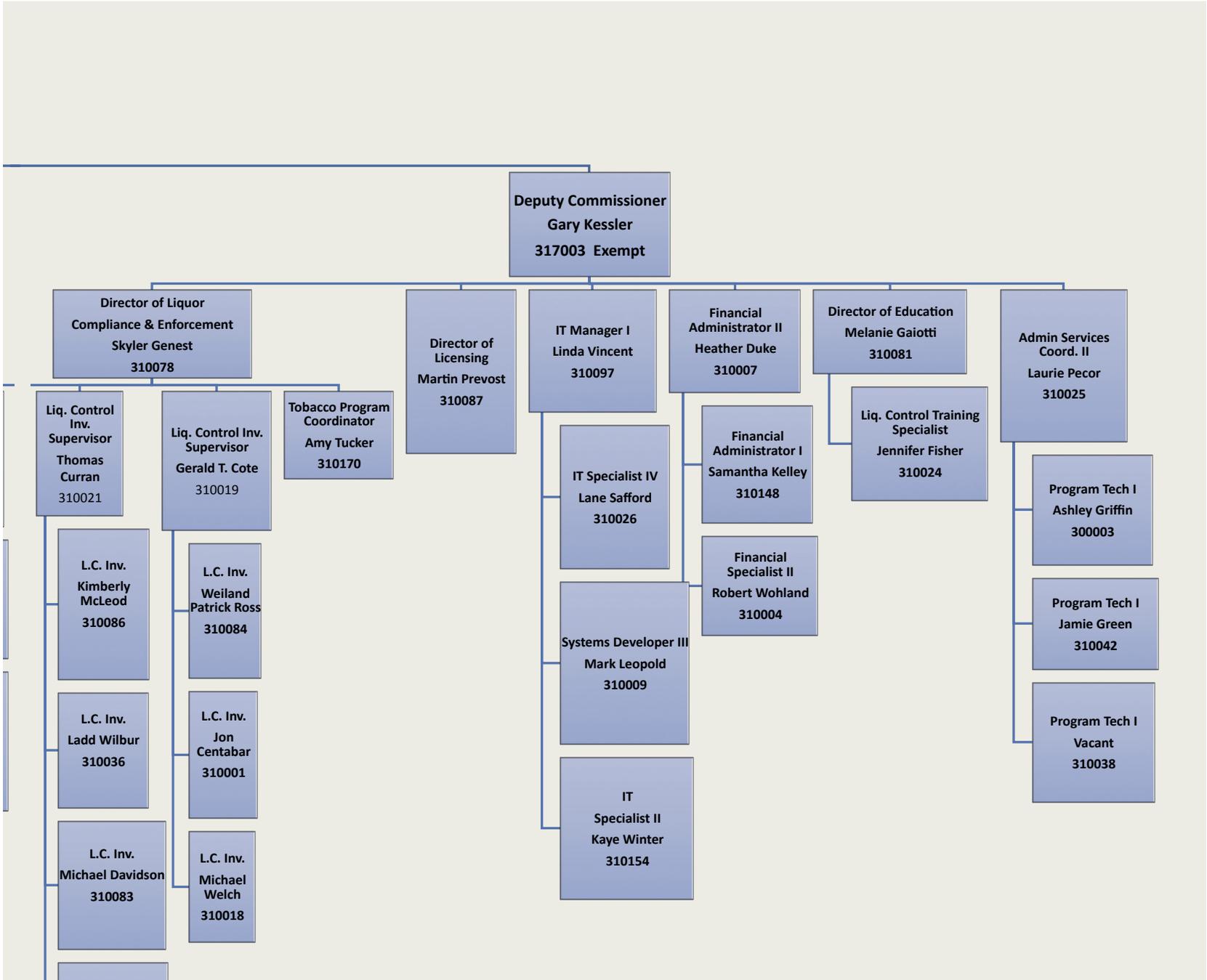


- Male
- Female



Average age





DLC Divisions

- Commissioner's Office** (3 positions)
- Accounting & Information Technology** (7 positions)
- Retail Operations & Marketing** (5 positions)
- Distribution Center & Purchasing** (18 positions)
- Education, Enforcement & Licensing** (20 positions)

Information Technology

The Information Technology Division, comprised of four employees, is responsible for the maintenance and support of DLC-specific systems. These include the central office system, the warehouse management system, agency registers, and interfaces to other state systems, financial institutions and cooperative industry organizations.



Left to Right: Mark Leopold, Lane Safford, Director Linda Vincent, Kaye Winter

The primary goal of IT is to provide a secure operating environment that allows the Department to perform its major tasks efficiently and accurately.

The IT Division maintains the local user hardware and software (such as laptops, warehouse scanners, printers, mobile devices and software used by the Division for enforcement licensing, inventory warehousing and central office functions) in conjunction with the statewide services provided by Agency of Digital Services (ADS) (such as networking, virtual servers and Office 365 applications such as email). All agency hardware and interfaces are maintained by IT.

As part of the Division's modernization plan, the DLC has been

upgrading local systems on a scheduled basis while moving their software applications off local servers and into the State's virtual environment, thus reducing costs and providing a more secure and stable environment. This year's focus was on the upgrading of agencies by replacing their outdated DOS-based registers with more reliable Windows-based registers. Most of the agencies have been updated with the remainder being converted by end of January 2019. The next phases of this project will be focused on the back office and warehouse systems.

An additional project to upgrade the licensing system is planned to start in the coming year.



Highlights

- Continued work on the POS and Central Office System project using a Microsoft cloud-based platform: Dynamics 365
- Supported the implementation of register upgrades in most retail agencies
- Planned the next project phases — back office and warehouse systems
- Realized the benefits of the Point of Delivery scanners in having fewer delivery errors
- Implemented One Drive and password managers across the division
- Continued to improve and maintain the DLC and 802Spirits websites
- Initiated an online portal for DLC Brokers which allows brokers direct access to their information
- Supported several DLC Rare Spirits Sweepstakes and Raffles
- Began working with the Lottery on sharing IT experience and expertise



Susanne Young, Secretary of the Agency of Administration; Mark Leopold, IT Systems Developer III; Skyler Genest, Chief of C&E; and Governor Phil Scott after Mark and Skyler received an Employee Recognition Award for their collaboration on the implementation of the FastField software for field investigators, which eliminates paperwork for compliance checks.

802Spirits Broker Portal 802Spirits Magazine My Broker Site EDIT LINKS

Broker Portal

Broker Portal Home
 Broker Contacts
 Broker Calendar
 Announcements
 Documents
 FAQs
 Pages
 EDIT LINKS

FACs Brokers Broker Calendar Documents

Welcome to the DLC Broker & Supplier Portal

This new site has been released and rolled out for communication, sharing and collaboration with our brokers and suppliers. We hope you will find it to be a great resource tool when working with us. We look forward to growing our site with you.

Announcements
 + new announcement or edit this list

Title	Modified
2019-03 March SPA display priorities	6 days ago
2019-03 March SPA code order	6 days ago
2019-02 February SPA display priorities	6 days ago
2019-02 February SPA code order	6 days ago

Broker Calendar

Title	Start Time
Martin Luther King Day	1/21/2019 12:00 AM
Presidents' Day	2/18/2019 12:00 AM
Town Meeting Day	3/5/2019 12:00 AM
Memorial Day	5/27/2019 12:00 AM
Independence Day	7/4/2019 12:00 AM

DLC Documents
 + New Upload Sync Share More

DLC Helpful Links

Screenshot of the new online portal for spirits brokers which allows them direct access to sales information

Education

The Education Division ensures that licensees, manufacturers and distributors have the proper training to meet state and federal requirements prior to receiving or renewing their license or permit.

BRIDGE



The Education Division has been managing an online catalog of our courses for the better part of a decade now. After years of working with free-source software, the VDLC is now partnered with BRIDGE by Instructure, a cloud-based learning management platform along with a secure payment site provided by LMSCheckout to create a much more user-friendly experience.

Beginning in August, all our users are seamlessly taken from the link on our website to the landing site of LMSCheckout where they create an account and purchase their program. Users can purchase courses for themselves or purchase for others. Businesses can purchase multiple courses and assign them to staff as needed. Once the course is purchased, it can be found under the user's "My Learning" tab where they can launch into Bridge to complete their training.

Training is mandatory in Vermont for all sellers and servers of alcohol or tobacco. While the VDLC offers in-person classes around the state, online training is a great option when employers and employees need a class on their own schedule. Creating courses that are instructional as well as enjoyable for the user has been a goal of the Office of Education.

We appreciate the patience our users have had with our attempts to create a better online experience for them. One of our favorite features of Bridge by Instructure is the real-time customer support service via email, chat or phone. With any new system, there are always kinks. However, over 1,500 people have used the new system to successfully complete their certifications.



Educational Training

The Education Division brings training and seminars to consumers, businesses, students, bartenders, parents and other interested parties to ensure alcohol and tobacco is sold and served in a safe and legal manner. These trainings are made available to restaurants, bars, clubs, hotels and Agency stores (and their staff), retailers who sell beer and wine, manufacturers and wholesale distributors.



Education team Melanie Gaiotti and Jennifer Fisher.

The two-person Education Division provides in-person and online training with regards to the statutes and regulations contained in V.S.A. Title 7. License-holders and all staff involved with selling alcohol must have current training and certification every two years.

Over 8,400 people were trained in Fiscal Year 2018 through in-person classes and online classes. The Division offers training classes several times throughout the year in various locations around the state.

1st Class Seminar: This class will certify an individual to serve alcohol for on-premises consumption at a bar, club, hotel, restaurant, manufacturer, catering event or bookstore/art gallery/museum/library.

2nd Class Seminar: This class will certify an individual to sell alcohol and/or tobacco in a store.

Fiscal Year 2018 Training Seminar Numbers

In-person Training



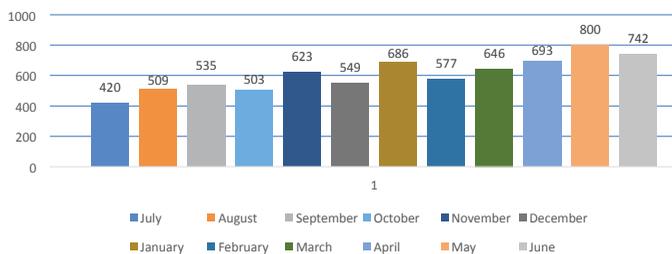
Online Training



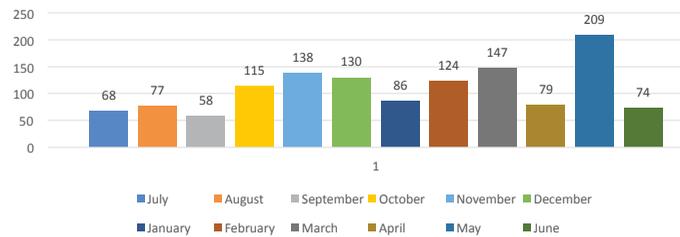
Total People Trained



Online Training Numbers
FY 2018



In Person Training Numbers FY 2018



Refusal Skills Training

Following up on the success of the Education Division's past Refusal Skills Trainings, the NABCA supplied the Division of Liquor Control with a second grant to host more in 2018. Once again contracting with Robert Labate, a local teacher, trainer, coach, and bar manager who took his varied experiences and created a "camp" that he has been using for 15 years to train his own staff, the Office of Education held five more Refusal Skills trainings.

Originally planning to hold four refusal skills trainings, there was such a positive response that we eventually held five. The first four trainings were held in Burlington (two held there), Killington and Rutland. The fifth training was requested by Sugarbush Resort for their employees and it was open to the public as well. We were able to train

77 individuals. The NABCA grant paid for the instructor's time and curriculum, the venue for the training, each participant's training cost and training materials as well as dinner for each participant. Survey Monkey results were positive and supported our decision to contract with Mr. Labate to once again provide his training in our state.

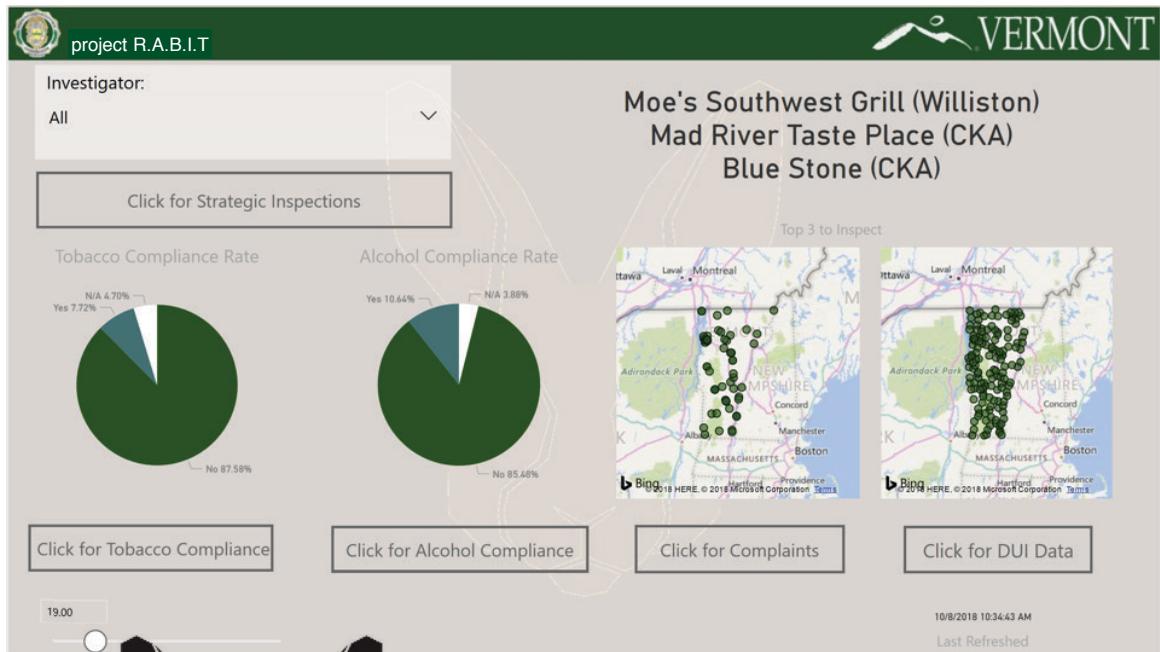
The Refusal Skills training concentrates on dealing with difficult customers in a way that supports Vermont laws and regulations. The training teaches employees best practices when dealing with problem or intoxicated customers. The Division of Education has now integrated the key parts of Mr. Labate's program into the VDLC's in-person and online courses, ensuring that these valuable lessons will be shared with all of those the VDLC trains.

Compliance & Enforcement



Skyler Genest
Director of
Compliance &
Enforcement

During the first full year under the new leadership of Chief Skyler Genest, the Office of Compliance and Enforcement (OCE) sought to completely revitalize their manner of operations. OCE embraced technology to accomplish this mission, and found real success incorporating an intelligence-led policing model. This model, coined project R.A.B.I.T, uses predictive analytics based on a machine-learning algorithm to provide decision-making in the field based on related datasets that OCE has connected to. The acronym R.A.B.I.T, stands for Resource Allocation Based on an Intelligence Toolkit. For decades, Liquor Investigators collected detailed data from a robust compliance program. However, that data lived on paper checklists that ended up in banker's boxes and filing cabinets and did not, in any real way, lead to the formulation of a picture of alcohol and tobacco problems statewide. Project R.A.B.I.T began with the creation of an iOS app that Liquor Investigators now use to collect data in real-time. Coupling that now-useable internal dataset with a host of other related databases including DUI and other law enforcement data, data from the Dept. of Health, and various other interrelated systems, project R.A.B.I.T finds key relationships amongst the data. Leveraging these relationships, an algorithm was created using a relevant science-based approach that quantifies a predictive value for the likelihood of violations of state liquor law or regulation by a licensee. Project R.A.B.I.T then, in real-time, directs where the OCE should be allocating compliance and enforcement resources. This data-driven approach has led to a demonstrated five-time increase in effectiveness of Liquor Investigators in the field based on key performance indicators.



Functionally, project R.A.B.I.T is a web-based dashboard that Liquor Investigators use on a daily basis to help visualize, analyze and interpret data to assist with minute-to-minute decision making. This approach is a cutting-edge technique in the world of law enforcement, and its development and use contributed to OCE being awarded the Stateways Magazine Best Enforcement Program award.

The Office of Compliance and Enforcement conducted:

15,601
inspections of
1st Class
Licenses

16,926
Inspections of
2nd Class
Licenses

173
Inspections of
other Licenses
& Permits

162
Inspections of
Tobacco
Licenses

The work of 14 field investigators resulted in:

180
Warning
Tickets

162
Administrative
Tickets

453
Civil
Tickets

The enforcement process is governed by 7 V.S.A. 19, §§ 561 - 590.

Per 7 V.S.A. § 210, fines range from \$110 to \$2,500 depending on the case merits and the severity of the violation.

All complaints received in-person, by mail, phone or online are investigated.

Highlights

Liquor Control Investigators are all full-time, sworn law enforcement officers with enforcement authority akin to the State Police. The 14 Investigators serve the public by preventing the misuse of alcohol and tobacco through education and enforcement. Under the new Office of Compliance and Enforcement, a clear focus on specific public safety issues dealing with Vermont's Alcohol and Tobacco Laws have become priority. Investigators employ a myriad of techniques to address these public safety issues including licensee education, issuance of administrative tickets for observed violations or, when appropriate, making arrests for criminal activity.

The Compliance and Enforcement Division conducts alcohol and tobacco compliance checks using underage individuals to purchase tobacco and alcohol from licensees. Each month, the Division posts its compliance checks on the DLC website. The tobacco compliance checks are in partnership with the FDA to enforce the Tobacco Control Act and reduce tobacco use by minors.

The Division conducted 1,086 tobacco compliance checks. Of these, 84 licensees illegally sold to underage individuals and 944 licensees refused to sell to underage individuals. Of important note, the tobacco compliance rate increased to 92.27% during FY 2018. FY 2017's compliance rate was 91.53%.

In FY 2018, the Division conducted 1,075 alcohol compliance checks. Of these, 121 licensees sold to underage individuals and 899 licensees did not sell to underage individuals. FY 2018's compliance rate was 88.75%.

Of merit, OCE has seen notable gains in efficiency in nearly all aspects of the work performed by Liquor Investigators. This is in part attributable to new leadership, added technology and impressive motivation on an individual Liquor Investigator level. For example, Regulatory Inspection activity increased over 200% when compared to FY 2017. Additionally, OCE demonstrated a 9% increase in issued warnings, yet observed a 10% decrease in issued administrative fines.

This exemplifies the Department's strong focus on compliance through education and utilizing enforcement when only absolutely necessary. Lastly, OCE demonstrated a 63% increase in the number of civil penalties imposed to individuals. This is predominantly attributable to the dedicated and diligent work Liquor Investigators accomplished combating what can easily be described as an epidemic of fraudulent or otherwise fake ID use by the minors in the state. In FY 2018, around 150 hours of dedicated enforcement netted 1,255 fake or otherwise fraudulent IDs, or approximately eight fake IDs seized per enforcement hour.



Licensing

The Licensing Division is responsible for all licenses and permits issued and renewed that involve the sale, service, manufacturing and distributing of alcohol in Vermont as well as the sale of tobacco products and tobacco paraphernalia sold in Vermont. The Division is also responsible for licensing pull-tab game manufacturers and distributors that do business in the state.

This licensing year – May 1, 2017 to April 30, 2018 – there were 6,679 new licenses and permits issued and 7,229 were renewed. The total for both renewed and new licenses issued was 13,908.

1st Class (on-premise, restaurants and bars) and 2nd Class (off-premise, retail sales) licenses issued must first be approved by the local control commissioners in the town that an applicant applies in. This process has brought in \$241,265.00 directly to the local communities in license application fee revenue for the licensing year.

The Licensing Division initiates an investigation into each application to confirm that the applicant is eligible to hold a license. The Licensing Division determines that the applicant is trained and knowledgeable of current laws and regulations. Each applicant meets with a member of the Licensing Division and a detailed description of the license premise is documented along with all other permits and licenses that are required for the type of business they are going to be operating. This means that the Division works closely with other state agencies to be certain that the applicants are in compliance with other state agencies and with their rules and regulations.

Highlights

- Since July 1, 2018, with the legalization of adult-use cannabis, there has been a substantial increase in tobacco license applications due to the requirement for shops to obtain one prior to selling cannabis paraphernalia.



Martin Prevost,
Director of Licensing



Licensing Team: Laurie, Jamie and Jessica handle the processing of all licensing and permit requests.

Licensing Statistics

2017 LICENSES	ISSUED	RENEWED	FEE FOR TOWN/CITY	TOTAL COLLECTED
1st Class Restaurant License	137	1,032	\$134,435.00	\$268,870.00
1st Class Club License	1	97	\$11,270.00	\$22,540.00
1st Class Hotel License	5	118	\$14,145.00	\$28,290.00
1st Class Kitchen	4	15	\$2,185.00	\$4,370.00
2nd Class License	110	1,049	\$81,130.00	\$162,260.00
3rd Class Restaurant	45	617		\$724,890.00
3rd Class Restaurant - half year	38	193		\$127,050.00
3rd Class Hotel	1	86		\$95,265.00
3rd Class Hotel - half year	3	12		\$8,250.00
3rd Class Club	0	92		\$100,740.00
3rd Class Club - half year	2	6		\$4,400.00
3rd Class Kitchen	1	6		\$7,665.00
3rd Class Kitchen - half year	1	2		\$1,650.00
Wholesale Dealer License	1	37		\$47,310.00
Wholesale Dealer Tasting Permit	9			\$225.00
Solicitor Permit	139	438		\$40,390.00
1st Class Boat License	0	2		\$460.00
3rd Class Boat License	0	1		\$1,095.00
3rd Class Boat License - half year	0	0		
Manufacturer - Vinous	12	45		\$16,245.00
Manufacturer - Vinous Tasting	173	0		\$4,325.00
Manufacturer - Malt	11	75		\$24,510.00
Manufacturer - Malt Tasting	149	0		\$3,725.00
Manufacturer - Spiritous Liquor	6	27		\$9,405.00
Special Events Permit	1,171	0		\$40,985.00
Caterer's License	55	253		\$77,000.00
Commercial Cater	4	11		\$3,300.00
1st Class Dining Car	0	1		\$230.00
3rd Class Dining Car	0	1		\$1,095.00
4th Class Vinous	6	35		\$2,870.00

2017 LICENSES	ISSUED	RENEWED	FEE FOR TOWN/CITY	TOTAL COLLECTED
4th Class Spirits	7	21		\$1,960.00
4th Class Malt	7	43		\$3,500.00
Festival Permit	33			\$4,125.00
Tobacco Licenses	94	901		\$8,480.00
Tobacco Endorsement Permit	76	412		\$24,400.00
Fortified Wine Permits	1	10		\$1,100.00
Wine Tasting Permit	506			\$12,650.00
Malt Tasting Permit	160			\$4,000.00
Rail Road Tasting Permit	0	0		-
Industrial Alcohol License	1	18		\$4,180.00
Certificate of approval - Vinous	20	270		\$285,650.00
Certificate of approval - Malt	8	73		\$201,285.00
Direct Ship to Consumer License - Vinous	50	397		\$147,510.00
Direct Ship to Consumer License - Malt	0	0		-
Direct Ship to Retailer License	11	30		\$10,250.00
Education Sampling Event Permit	12			\$3,000.00
Farmer's Market License - Vinous	8	13		\$1,470.00
Farmer's Market License - Malt	1	2		\$210.00
Farmer's Market License - Spirit	19	17		\$2,520.00
Bottler	0	0		-
Art Gallery	157			\$3,140.00
Bookstore	2			\$40.00
Library	31			\$620.00
Museum	36			\$720.00
Outside Consumption Permit - Permanent	98	767		\$17,300.00
Outside Consumption Permit - One Time	138	0		\$2,760.00
Cater Request Permit	3,114			\$62,280.00
Master Resort License	2			\$2,000.00
Second Retail Delivery Permit	3	4		\$700.00

2017 Totals 6,679 7,229 **\$2,635,260.00**

To Towns: \$243,165.00

To DLC: \$2,382,690.00

2016 Totals 6,762 7,106 **\$2,588,380.00**

2015 Totals 6,563 6,624 **\$2,378,150.00**

2014 Totals 5,921 6,651 **\$2,379,250.00**

2013 Totals 4,365 6,349 **\$1,955,465.00**

2012 Totals 2,288 5,626 **\$1,750,140.00**

2011 Totals 2,175 5,787 **\$1,848,840.00**

Purchasing

Purchasing oversees the procurement of 3,000+ different spirits. The Division reviews new products quarterly to determine which products will be carried on store shelves in Agency stores through a process called “listing.”

The Division’s listing process includes review by a committee of various data points such as bottle size, product segment, suggested retail price, competing products and total bottle sales in other control states.

“Delisting” is the process by which products with a low contribution margin (sales and profit margin) are removed from regular distribution. Many of these items will remain available to consumers through the special-order process.

The Division works in conjunction with vendors to manage promotional and monthly sale items and closeouts and manage relations with 153 different national wholesalers and 20 Vermont suppliers.

Highlights

- 1,127 SKUs stocked
- 119 new products added, including 10 Vermont-made products
- 12,816 special order requests from Agents
- 255 web requests from consumers
- Over \$1,561,791 in Special Order sales

Top 10 Bottle Sales

1.	Tito’s Handmade Vodka	750ML	95,739 bottles
2.	Dr. McGillicuddy’s Fireball	50ML	74,849 bottles
3.	Smirnoff Vodka	50ML	65,030 bottles
4.	Captain Morgan Spiced Rum	750ML	62,601 bottles
5.	Jack Daniel’s Old #7 Black	750ML	60,855 bottles
6.	Jameson Irish Whiskey	750ML	53,384 bottles
7.	Five O’Clock Vodka	375ML	51,877 bottles
8.	Skol Vodka	1.75L	50,517 bottles
9.	Crown Russe Vodka	1.75L	49,563 bottles
10.	Jose Cuervo Gold Tequila	50ML	48,625 bottles



Hannford in Rutland Town displays a fully stocked 50ML shelf set

For your protection, this store is monitored by closed circuit TV.

2018 Rare and Highly Limited Sweepstakes and Raffle Update



During FY 2018, the DLC conducted one sweepstakes and three raffles. The primary difference between the sweepstakes and the raffle is that entry into the sweepstakes was at no cost, while raffle entries were \$5.00 each.

The sweepstakes had similar rules and allowed only Vermont residents 21 years and older to submit one entry for each product available. While the raffle allowed entrants to purchase as many \$5.00 entries as they would like, in both cases entrants were permitted to win the opportunity to purchase only one bottle in each event with the goal being to spread the bottles to the widest group of consumers and licensees (bars and restaurants). Both the sweepstakes and raffle had separate categories for consumers and licensees. In each case, 75% of product was available for consumers and 25% was available for licensees. This 75/25 mirrors the Department's product sales ratio. There is also a desire on the part of the manufacturers to have licensees receive a portion of the bottles so that it allows a larger number of consumers the opportunity to try the product.

The sweepstakes was launched in December 2017 and product was delivered and purchased in January 2018. This sweepstakes was for the opportunity to purchase bottles from two exceptional collections of spirits. These included the Buffalo Trace Antique Collection and the Van Winkle Bourbon Collection. In total, nine different products were available in this sweepstakes.

Consumer participation in this first sweepstakes far exceeded expectations. The Department received media coverage and a great deal of positive feedback from participants about the sweepstakes and the transparent way this desirable product was distributed. The Department had learned valuable lessons from the initial sweepstakes in January 2017.

In August, the Department held the first Rare Scotch Sweepstakes which included two products. The Department solicited these two rare products from their distributors specifically for this sweepstakes. The participation was not at the same level as for our other sweepstakes,



but it still provided an opportunity for Vermonters to obtain products that had not been available in the state previously. In October 2018, the Department held a "clean-up" raffle for leftover products from previous sweepstakes and raffles that had not been purchased or had been declined by the winners. This offering was of a few bottles of 12-, 15-, 20-, and 23-year-old Pappy Van Winkles and a few products, with very small quantities, from the Buffalo Trace Antique Collection. Additionally, this raffle also included three bottles of 36-year-old Tomatin Scotch that had just been received. We had a total of 20 bottles and over 900 entries in the consumer category with over \$10,000 in fees collected.

In November, we had a very highly prized bottle: a 25-year-old bottle of Pappy Van Winkle. This was bottled in 2017 and only 710 bottles were produced. This product was obtained because of a direct request from the Department to the distiller. The product was provided because the distiller appreciated the fair and transparent way the Department had distributed the prior year's product. Again, we offered this as a raffle but with a \$25.00 entry fee, and received over 500 entries.

From the Department's perspective, these raffles have been a success that far exceeded expectations. After fees, the 2018 raffles generated over \$23,600 for Spectrum Youth and Family Services to support their efforts related to youth substance abuse prevention and treatment.

Feedback from raffle participants has been very positive. Participants were happy to have the chance to win the opportunity to purchase this product in a fair and transparent way and many were supportive of Spectrum and entered to support that organization. Additionally, we have received calls from other control states on the details of our program, in the effort to offer similar raffles in their states. The CEO of Sazerac (the distiller), Mark Brown, expressed his strong support of the raffle and the charity the proceeds benefited. He specifically cited the Department's efforts here and said, "What a very nice, best in class, way of handling Pappy – Thank you!"

Full details of this report can be found at 802spirits.com/sweepstakes

Made in Vermont

Vermont is home to a thriving spirits industry offering a wide variety of products from maple liqueurs to rums, gins and rye whiskey. Many of the products are winning national acclaim and international awards. Many distilleries have their own tasting rooms where their products may be sampled and purchased.

Appalachian Gap Distillery

88 Mainelli Road, Suite #1, Middlebury, VT 05753
(802) 989-7362, www.appalachiangap.com

Items sold through the DLC: Mythic Gin, Papilio Agave & Maple Spirits, Ridgeline Whiskey, Kaffeavan Coffee Liqueur, Snowfall White Whiskey, Aqua Vodka, Peregrine and Fractal Vodka. Special order: Appalachian Gap Morning Sunshine and Appalachian Gap Drumlin Rye

Boyden Valley Spirits

64 Vermont Route 104, Cambridge, VT 05444
(802) 644-8151, www.boydenvally.com

Items sold through the DLC: Vermont Ice Maple Crème

Caledonia Spirits

46 Buffalo Mountain Commons Dr., Hardwick, VT 05843
(802) 472-8000, www.caledoniaspirits.com

Items sold through the DLC: Barr Hill Vodka, Barr Hill Gin, Barr Hill Reserve Tom Cat. Special order: Barr Hill Tom Cat 100 Barrel Select

Flag Hill Farm

135 Ewing Road, Vershire, VT 05079
(802) 685-7724, www.flaghillfarm.com

Items sold through special order through the DLC: Pomme De Vie Vermont Apple, Stairs Pear Brandy

Green Mountain Distillers

171 Whiskey Run, Morristown, VT 05661
(802) 253-0064, www.greenmountaindistillers.com

Items sold through the DLC: Green Mountain Organic Vodka – Lemon and Orange, Cranberry, Blueberry, Green Mountain Organic Gin, Vermont Organic Maple Liqueur. Special order: Green Mountain Organic Vanilla

Hooker Mountain Farm Distiller

1193 Lovely Road, Cabot, VT 05647
(802) 426-2052, www.hookermountainfarm.com

Items sold through the DLC: Hooker Mountain Farm Spruce Gin, Hooker Mountain Farm Spirited Cider, Hooker Mountain Farm Woke Milk & Coffee, Poor Farm Rum

Mad River Distillers

137 St. Paul Street, Burlington, VT 05401
(802) 489-5501, www.madriverdistillers.com

Items sold through the DLC: Mad River Vanilla Rum, Mad River First Run Rum, Mad River Maple Cask Rum, Mad River Bourbon, Mad River Rye Whiskey, Mad Apple. Special order: Mad River Corn Whiskey, Mad River Burnt Rock Bourbon, Mad River PX Rum

Old Route Two Spirits

69 Pitman Road, Barre, VT 05641
(802) 424-4864, www.oldroutetwo.com

Items sold through the DLC: Joe's Pond Gin, Maple & Ash Barrelhead Rum, Coffee Rum, Cherrywood Barrelhead Rum

Putney Mountain Winery

8 Bellows Falls Road, Putney, VT 05346
(802) 387-592, www.putneywine.com

Items sold through the DLC: Simply Ginger, Vermont Cassis, Simply Maple, Simply Chocolate

Saxton's River Distillery

485 West River Road, Brattleboro, VT 05301
(802) 246-1128, www.saplingliqueur.com

Items sold through the DLC: Sapling Vermont Maple Bourbon, Sapling Liqueur, Perc Coffee Liqueur, Sapling Vermont Maple Rye Whiskey, Snowdrop Gin

Silo Distillery

3 Artisans Way, Windsor, VT 05089
(802) 674-4220, www.silodistillery.com

Items sold through the DLC: Silo Reserve Gin, Silo Lavender Vodka, Silo Cucumber Vodka, Silo Moonshine, Silo Gin, Silo Vodka, Silo Whiskey, Silo Maple Whiskey, Silo Bourbon. Special order: Silo White Whiskey, Silo Lemon Vodka

Smugglers' Notch Distillery

276 Main Street, Jeffersonville, VT 05464
(802) 309-3077, www.smugglersnotchdistillery.com

Items sold through the DLC: Smugglers' Notch Bourbon, Smugglers' Notch Gin, Smugglers' Notch Vodka, Smugglers' Notch Rum, Smugglers' Notch Hopped Gin, Litigation by Smugglers', Smugglers' Notch Organic Gluten Free Vodka, Smugglers' Notch Maple Bourbon

Spirits of Old Bennington*

1514 N. Bennington Rd., N. Bennington, VT 05257
(802) 468-7662, www.spiritsofoldbennington.com

*This distillery is now closed and the DLC still has limited product availability in stores

St. Johnsbury Distillery – formerly known as Dunc's Mill

1350 Main Street, St. Johnsbury, VT 05819
(802) 751-8813, www.stjdistillery.com

Items sold through the DLC: St. Johnsbury Dunc's Elderflower Rum, St. Johnsbury Dunc's Maple Rum, Dunc's Backwoods Reserve Rum, Pirate Dan's Vermont Rum

Stonecutter Spirits

1197 Exchange Street, Middlebury, VT 05753
(802) 388-8000, www.stonecutterspirits.com

Items sold through the DLC: Single Barrel Gin, Stonecutter Heritage Cask Whiskey

Vermont Distillers

7627 Vermont Route 9, West Marlboro, VT 05363
(802) 464-2003, www.vermontdistillers.com

Items sold through the DLC: Metcalfe's Maple Cream Liqueur, Metcalfe's Vermont Maple Liqueur, Metcalfe's Raspberry Liqueur, Metcalfe's Blueberry Liqueur, Catamount Vodka

Vermont Spirits Distilling Company

5573 Woodstock Road, Quechee, VT 05001
(802) 281-6398, www.vermontspirits.com

Items sold through the DLC: Coppers Gin, Vermont Spirits White Vodka, Vermont Spirits, Gold Vodka, No. 14 Maple Spirit, No. 14 Bourbon. Special order: Coopers Barrel Gin, Coppers Sugarwood Gin, Vermont Crimson Vodka

WhistlePig Farm

1030 Palmer Road, Shoreham, VT 05770
(802) 897-7708, www.whistlepigwhiskey.com

Items sold through the DLC: WhistlePig Whiskey, WhistlePig Old World, WhistlePig Boss Hog

Wild Hart Distillers

26 Sage Ct, Shelburne, VT 05482
(802) 489-5067, www.wildharddistillery.com

Items sold through the DLC: Wild Hart Gin, Wild Hart Vermont Classic Gin



Top Selling Vermont Products

Barr Hill Gin

Barr Hill Gin is produced by Caledonia Spirits, which is located on the banks of the Lamoille River in the Northeast Kingdom. Caledonia Spirits grew from a bee apiary producing raw honey, to including a meadery, and later a distillery. White oak gathered in the Champlain Valley is used to make their barrels that they age their spirits in. Barr Hill Gin is made with pure grain spirits as a way to showcase the flavors of juniper berry and raw northern honey.



\$584,031
in Retail Sales
FY 2018

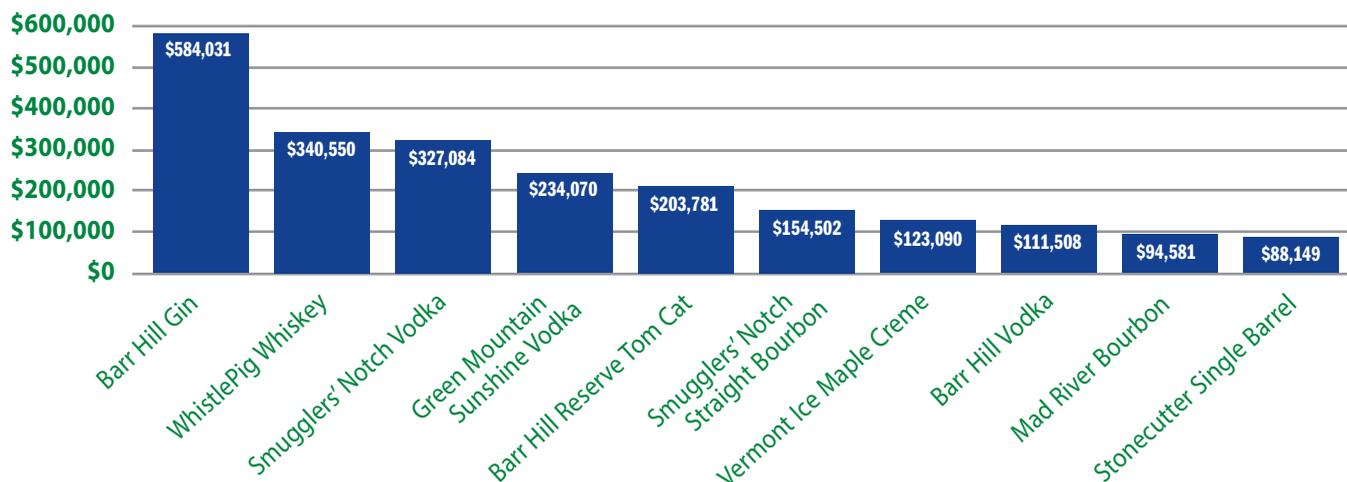
WhistlePig Whiskey

WhistlePig began with the purchasing of a farm in 2007 in Shoreham, VT, located in western Addison County along the shores of Lake Champlain. After a few years of deep consideration and personal reflection, they committed themselves to crafting the world's finest and most interesting Rye Whiskeys. With help from Master Distiller Dave Pickerell, they discovered and purchased an incredible stock of 10-year-old blending Whiskey in Canada that was being profoundly misused. That initial stock is what kicked off their grand adventure.



\$340,550
in Retail Sales
FY 2018

Top 10 Vermont-Made Retail Dollar Sales (750mL)

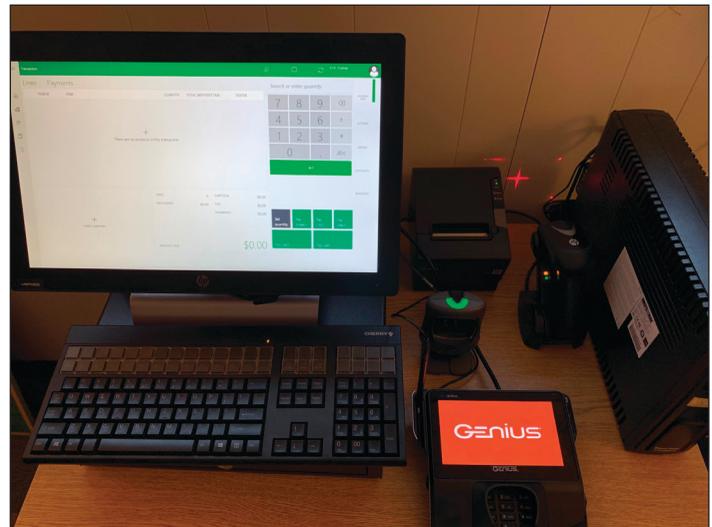


Retail Operations

The Retail Operations Division is responsible for working with our 76 Agency stores to promote outstanding selection, merchandising and customer service.

POINT OF SALE SYSTEM

In December 2017, we kicked off the New Point of Sale (POS) system with training systems set up at the DLC offices. These were used for the beta testing in January 2018 and in-house staff training beginning in February. These trainings went well and gave us the opportunity to fine tune the details to give our Agents the best possible system. We continued with local trainings, beginning in July, at over eight different locations for a total of 19 days with three time slots each day. This offered Agents the opportunity to send their staff to trainings close to their stores, reduce time away and attend multiple trainings if necessary. Installs also continued around the state with an average of three per day and during the weeks of installs, nine to twelve per week. By the end of January 2019, all 78 Agents will have their new POS system up and running and will be fully trained. Now onto the Central Office System and the Warehouse Management system to tie it all together.



The new MPOS (Modern Point of Sale system), installed in 65 of our Agencies, runs Dynamics 365 Retail and has a touch screen and wireless scanner



Agents and a licensee at a barrel selection at WhistlePig Distillery

Highlights

- Enosburg moved to a new location just a quarter mile from their old location in a renovated building.
- In July 2017, we had a business transfer of the Orleans Agency to Josh Olney, who has worked to improve the store and its merchandising.
- Swanton transferred their business to Howard Larose on March 21, 2018. He and his staff are working on some store upgrades.
- Unfortunately, during 2018 we have had three Agents close their businesses in East Poultney, Stamford and White River Junction.
- Over the course of the year, we have reset over eight locations to better merchandise products and remove dead inventory from their shelves.
- Retail Footprint project and report was completed and is available by request.
- In September 2017, Procurement and Retail staff made a visit to the WhistlePig distillery to oversee a barrel selection for our Agents in Stowe and Winooski.
- The Retail Ops Manager, Kim Walker, attended the NABCA Administrators Conference in October in Leesburg, VA and participated in committee meetings and business training seminars on store display strategies, 50ml merchandising and sales trends.

Retail Location Highlights



Dwyer's State Line Liquor department in Pownal



St. Albans City holiday display



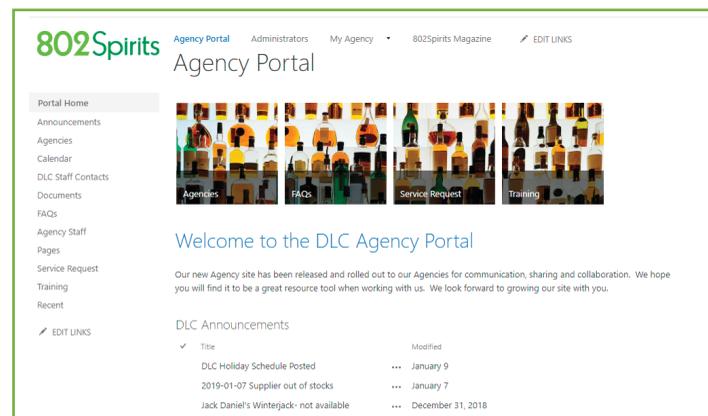
Heer Liquor Store in Arlington



Bethel after a reset

Agency Portal

August 2017 brought the culmination of months of collaboration to give our new Agency Portal a trial run. This portal will give the Agents the most up-to-date information at their fingertips. The DLC will post communications, sale info, special events and a secure Agent-specific section where they can view their YTD financials, contract reminders and other confidential information. This launched fully in April 2018. Agents can now set up notification alerts for every time there is an update or notice posted on the site and see it at their convenience. The site can be found here: https://vermontgov.sharepoint.com/sites/DLC/retailoperations/agency_portal/SitePages/Home.aspx?FollowSite=1&SiteName=Agency%20Portal



Agency Stores

Gross Sales by Retail Location

AGENCY	STORE NAME	TOTAL BOTTLES SOLD	TOTAL RETAIL SALES	AGENCY	STORE NAME	TOTAL BOTTLES SOLD	TOTAL RETAIL SALES
2001	EAST POULTNEY*	3,319	\$54,953	2045	SHARON LIQUOR AGENCY	19,243	\$262,950
2002	POULTNEY LIQUOR AGENCY	23,691	335,237	2046	BATTERY STREET LIQUOR AGENCY	109,241	2,214,023
2003	ISLAND POND LIQUOR AGENCY	15,479	206,021	2047	FAIR HAVEN LIQUOR AGENCY	73,611	1,035,150
2004	WINOOSKI LIQUOR AGENCY	254,287	4,928,748	2048	POWNAI LIQUOR AGENCY	44,567	627,691
2005	LONDONDERRY LIQUOR AGENCY	31,700	534,756	2049	ST. JOHNSBURY LIQUOR AGENCY	55,571	823,152
2006	RANDOLPH LIQUOR AGENCY	47,748	607,415	2050	WOODSTOCK LIQUOR AGENCY	49,908	1,067,749
2007	HARDWICK LIQUOR AGENCY	38,033	563,053	2051	NORTH AVE. LIQUOR AGENCY	93,438	1,364,704
2008	ALBURGH LIQUOR AGENCY	16,547	251,315	2052	HARMONYVILLE LIQUOR AGENCY	11,880	154,439
2009	ARLINGTON LIQUOR AGENCY	29,919	387,287	2053	ESSEX CTR. LIQUOR AGENCY	104,034	1,586,551
2010	JEFFERSONVILLE LIQUOR AGENCY	42,244	742,939	2054	WESTMORE LIQUOR AGENCY	2,175	43,348
2012	RICHFORD LIQUOR AGENCY	14,237	159,439	2055	W. BRATTLEBORO LIQUOR AGENCY	83,775	1,208,629
2013	NORWICH LIQUOR AGENCY	16,120	363,968	2056	WALLINGFORD LIQUOR AGENCY***	2,781	38,298
2014	MORRISVILLE LIQUOR AGENCY	103,662	1,504,916	2057	PROCTORSVILLE LIQUOR AGENCY	18,091	395,434
2015	WILMINGTON LIQUOR AGENCY	52,992	1,053,087	2058	WEST RUTLAND LIQUOR AGENCY	38,617	497,748
2016	BETHEL LIQUOR AGENCY	28,362	379,828	2059	MIDDLEBURY LIQUOR AGENCY	110,409	2,002,632
2017	WAITSFIELD LIQUOR AGENCY	62,994	1,308,121	2060	TAFT CORNERS LIQUOR AGENCY	102,702	1,639,841
2018	COLCHESTER LIQUOR AGENCY	66,261	1,101,328	2061	PEARL ST. BURL. LIQUOR AGENCY	147,211	2,305,303
2019	ORLEANS LIQUOR AGENCY	29,806	433,219	2062	ESSEX JUNCTION LIQUOR AGENCY	94,177	1,205,597
2020	NORTHFIELD LIQUOR AGENCY	53,460	636,661	2063	STOWE LIQUOR AGENCY	101,581	2,260,707
2021	WATERBURY LIQUOR AGENCY	80,470	1,286,216	2064	DANVILLE LIQUOR AGENCY	9,482	179,040
2022	SWANTON LIQUOR AGENCY	53,551	703,817	2065	BENNINGTON LIQUOR AGENCY	163,848	2,514,475
2023	ENOSBURGH FALLS LIQUOR AGENCY	34,193	537,049	2066	BRATTLEBORO LIQUOR AGENCY	23,761	342,796
2024	LYNDONVILLE LIQUOR AGENCY	86,753	1,297,363	2067	MONTPELIER LIQUOR AGENCY	90,907	1,686,826
2025	SOUTH HERO LIQUOR AGENCY	46,462	814,615	2068	LAKE STREET LIQUOR AGENCY	104,014	1,607,454
2026	KILLINGTON LIQUOR AGENCY	80,056	1,619,699	2069	ST. ALBANS TOWN LIQUOR AGENCY	75,817	960,330
2027	RICHMOND LIQUOR AGENCY	35,346	608,403	2070	NEWPORT LIQUOR AGENCY	60,174	947,261
2028	SPRINGFIELD LIQUOR AGENCY	58,599	875,335	2071	MANCHESTER LIQUOR AGENCY	135,587	2,736,207
2029	ROCHESTER LIQUOR AGENCY	10,674	159,479	2072	RUTLAND CITY LIQUOR AGENCY	150,283	2,364,832
2030	MONTGOMERY CTR. LIQUOR AGENCY	18,136	323,978	2073	WILLISTON ROAD LIQUOR AGENCY	161,842	2,586,128
2031	MILTON LIQUOR AGENCY	74,555	1,065,106	2074	RUTLAND TOWN LIQUOR AGENCY	108,550	1,725,673
2032	BRANDON LIQUOR AGENCY	49,447	757,093	2075	BARRE LIQUOR AGENCY	194,710	2,800,417
2033	BRADFORD LIQUOR AGENCY	48,503	734,220	2076	BONDVILLE LIQUOR AGENCY	28,884	527,022
2034	STAMFORD LIQUOR AGENCY**	6,552	77,342	2077	CHESTER LIQUOR AGENCY	35,114	382,013
2035	VERGENNES LIQUOR AGENCY	44,680	886,663	2078	HINESBURG LIQUOR AGENCY	45,672	749,340
2036	SHELBURNE RD. LIQUOR AGENCY	134,215	1,993,037	2079	WHITE RIVER JCT AGENCY****	27,129	320,562
2037	WINDSOR LIQUOR AGENCY	22,066	363,935	2080	LUDLOW LIQUOR AGENCY	56,763	1,096,737
2038	BRISTOL LIQUOR AGENCY	48,021	639,301	2081	JOHNSON LIQUOR AGENCY	38,924	560,506
2039	SHELBURNE LIQUOR AGENCY	95,627	1,784,095		GRAND TOTALS	4,909,521	\$79,530,501
2040	BELLOWS FALLS LIQUOR AGENCY	30,844	338,273				
2041	WEST DOVER LIQUOR AGENCY	53,870	829,202				
2042	DERBY CENTER LIQUOR AGENCY	35,885	571,462				
2043	JAY LIQUOR AGENCY	22,105	407,827				
2044	FAIRFAX LIQUOR AGENCY	33,577	483,134				

*Store closed January 9, 2018

**Store closed January 11, 2018

***Store closed October 15, 2017

****Store closed October 31, 2018

Distribution Center Operations

Inventory at any given time is valued around \$13.9 million* and represents about 66,000 cases.

Responsible for the receiving, storage and distribution of all liquor within the state. Employees deliver to our 78 Agency stores on a bi-weekly or weekly basis throughout Vermont.

- **30,000-sq.-ft. Distribution Center**
- **16 Employees**
- **Receive an average of 35 deliveries per week**

Bailment

Most of the DLC's inventory is held in bailment, i.e. manufacturers ship product to the distribution center but retain ownership until the product is delivered to Agency stores. Once delivered, the DLC takes and retains ownership of the product until it is sold by Agency stores.



The warehouse staff



Highlights

New to the Department after many months of planning is our P.O.D (proof of delivery) system. This was initially designed for the daily orders to be loaded onto a handheld device and sent out with the drivers to scan the orders as they were off-loaded at the agencies. During testing, the decision was made to do the scanning in-house as the trucks were being loaded. This decision was made because, if a picking error was found, it could be corrected while the truck was being loaded, minimizing any chance for errors upon delivery.

Our goal is to be able to “drop and run”, off-loading without checking in the order until after the truck has left, minimizing our time at the agencies. As we move forward, we would be able to adjust our delivery schedule and possibly add more agencies to weekly deliveries providing better service to all.

Even though this is a new process, we have already seen the benefits. The over, short and damage reports are very minimal, saving time at the warehouse and for the coordinators trying to verify these discrepancies. It also allows the drivers more time back at the warehouse to scan and load the outgoing orders, reducing overtime.

*at retail price

Marketing

The Marketing Division is modernizing the image of the DLC by building relationships with Agents, licensees and consumers through updated in-store communications, advertising and social media.

This has been an exciting and productive year for the Marketing Division. The RFP that was in place in early 2018 was finalized and executed and Great Big Graphics from Morrisville was chosen as the vendor and the contract was initiated in May. In July, we launched a strategy to review all 75 locations and begin the process of visiting stores in geographic areas in conjunction with the POS roll-out. The plan was to provide new signs after the Agents had new POS equipment set-up and running as a continuation of the modernization of our department, systems and branding.

The first round of visits began in August and focused mainly on Chittenden County. This included Barre, Montpelier, Waterbury, Essex Center, Essex Junction, Winooski, North Ave., Pearl Street, Battery Street, Shelburne, Shelburne Road, Hinesburg Road and Richmond, covering 14 stores. This first round was easy from a proximity standpoint and also gave us some valuable insights as we move forward. The permitting process is quite arduous and has been handled with precision by the vendor. At time of print, 12 locations on this round have been reviewed, permitted and installed.

The second round of Agency visits took place in October and this focused on the north and northwest for Morrisville, Johnson, Jeffersonville, Fairfax, Milton, Alburgh, Swanton, St. Albans and St. Albans City, S. Hero, Hinesburg, Bristol, Waitsfield and Stowe for a total of 14 locations. For this round, all of the ordinances had been reviewed prior to visiting and provided the opportunity to be able to have discussions about what was permissible during our visit. Eight of these locations have had new signs installed.

The third round took place in early December and focused on the southwest and central areas, including Pownal, Bennington, Arlington, Manchester, Poultney, Fair Haven, W. Rutland, Rutland Town, Rutland City, Killington and Bethel. Due to weather and the need to do some touch-up painting when a new sign is a different size or shape, these signs will be produced and ready for install as soon as the weather allows.

The next round of store visits will take place in January 2019. One of the unintended consequences of this project is that a number of our Agents have decided to upgrade their store signage and in some cases have combined with the 802Spirits on one sign. It has been an opportunity to update and refresh their look.

For a complete legislative report regarding the exterior sign project, go to <https://legislature.vermont.gov/assets/Legislative-Reports/Signage-report.pdf>

New exterior store signage



AFTER



BEFORE

Highlights

- Lead exterior sign project including RFP, contract, vendor communications and review of Agent locations for sign placement
- Initiated the wall border project and continue to work with Agents as to the best size and placement for each location
- Managed the Rare Spirits Raffles and Sweepstakes, with IT, procurement, distribution and retail
- Promoted and solicited Agents to participate in the OBDS (Official Business Directional Signs with the AOT) program
- Theresa Barrows, Director of Marketing, attended the NABCA Administrators Conference in Leesburg, VA, to be introduced to the Communications Committee, which she will now be a part of, representing the State of Vermont.

Wall borders

In addition to modernizing the exterior, we wanted to illustrate to customers where the liquor department is located within our Agencies. This wall border was designed to again present the 802Spirits logo which reinforces the brand recognition. In many stores, while liquor is in a defined area, that area is not always clear to customers, especially to new customers. The wall border presents an opportunity to highlight that area of a store where the liquor is merchandised. Currently, we have installed it in over 25 stores and the response has been overwhelmingly positive. Due to some interesting architectural challenges, we have been creative in the presentation in a few Agencies.

Official Business Directional Signs (AOT OBDS)

"Vermont's landmark sign law was adopted in 1968. It banned off-premise advertising (small signs as well as billboards) and provided for a system of State-owned Official Business Directional Signs (OBDS) and information plazas to replace them. The law applies to town highways as well as to State highways. No signs are allowed on limited-access highways (the interstates and parts of other Federal or State highways) or on their ramps. The OBDS is directional in nature and is intended to direct travelers from one highway to another. Signs are limited to the town in which the business is located, except in instances where no appropriate location within the town is available."

— As stated by the VTrans website

These signs are Vermont's answer to keeping the landscape billboard-free. They provide both locals and visitors directions to businesses that are located around the state.

We currently have only three signs installed, in Waterbury, S. Hero and Killington, with another approved but yet to be installed in Proctorsville. We have another seven applications in the process. These signs will have the 802Spirits logo to the left of their name and directions to their location. Keep an eye out for these in your area as we expand opportunities around the state.



New OBDS signs

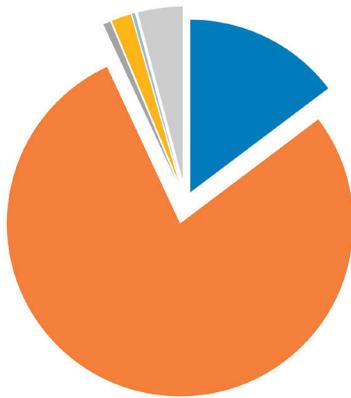
Accounting

The Accounting Division is comprised of a three-member team which is responsible for accurately and efficiently conducting all DLC financial affairs.

Responsibilities include overseeing the financial reporting and accuracy of all payrolls and expense reimbursement requests; share responsibility for tracking all DLC assets (except liquor) with the IT division; managing all contracts; producing monthly financial statements and the annual report; ordering all DLC supplies; and working with the auditor's office to complete the annual independent audit and ensuring compliance with state-wide record retention policies.



General Fund Revenue



● 25% LQR Excise Tax	\$19,898,250
● 6%-7% Sales & Use Tax	\$3,733,757
● Leg Transfer	\$1,055,000
● GF Lic Fee portion	\$468,653
● On Prem Direct Sales Tax	\$173,039
● Alcohol Violations	\$53,145
● Tobacco Violations	\$9,880
● Late Fees	\$160
● Other Income	\$430
TOTAL	\$25,392,313

Where Does The Money Go?

Alcohol sales provide a source of revenue to the State General Fund. The revenues help fund state government operations and support government programs, including for the treatment, rehabilitation and prevention of alcoholism and chemical dependency. The DLC is a complete enterprise funded department and rather than taking from the General Fund, the DLC contributes tens of millions of dollars each year.

- 7 V.S.A. 9, § 231. Fees for licenses and permits; disposition of fees. (b)(1) "Third-class license fees: fifty-five percent (55%) shall go to the Enterprise Fund, and forty-five percent (45%) shall go to the General Fund and shall fund alcohol abuse prevention and treatment programs."
- 7 V.S.A. 19, § 590. Fines and costs. "Fines collected under this title shall be remitted to the General Fund."

FY 2018 General Fund Contribution: \$25,392,313

Since 2000, the DLC has contributed over \$319,000,000 to the General Fund.

Revenues, Expenses and Changes

	FY 2017 Liquor Control Fund	FY 2018 Liquor Control Fund	
OPERATING REVENUES			
Charges for sales and services	\$57,415,543	59,843,099	0.04
License fees	1,909,751	1,974,898	0.03
Other operating revenues	3,895,212	4,025,227	0.03
Total operating revenues	63,220,506	65,843,223	0.04
OPERATING EXPENSES			
Cost of sales and services	46,963,734	48,857,248	0.04
Salaries and benefits	4,905,669	5,173,342	0.05
Insurance premium expenses	16,243	21,658	0.25
Contractual services	234,968	2,312,637	0.90
Repairs and maintenance	43,623	73,009	0.40
Depreciation	205,835	200,419	(0.03)
Rental expenses	43,078	63,041	0.32
Utilities and property management	378,375	513,826	0.26
Non-capital equipment purchased	32,856	(1,380,408)	1.02
Promotions and advertising	58,097	61,177	0.05
Administrative expenses	107,609	144,586	0.26
Supplies and parts	149,342	180,256	0.17
Distribution and postage	44,433	60,783	0.27
Travel	28,600	15,266	(0.87)
Other operating expenses	7,704,150	7,867,055	0.02
Total operating expenses	60,916,611	64,163,895	0.05
Operating income (loss)	2,303,895	1,679,329	(0.37)
NON-OPERATING REVENUES			
Gain on disposal of capital assets	51,962	26,076	(0.99)
Total non-operating revenues (expenses)	51,962	26,076	(0.99)
Income (loss) before other revenue, expenses, gains, losses and transfers	2,355,857	1,705,405	(0.38)
OTHER REVENUES, EXPENSES, GAINS, LOSSES AND TRANSFERS			
Transfers out	(1,063,630)	(1,075,106)	0.01
Changes in net position	1,292,227	630,299	(1.05)
Total net position, July 1	4,880,804	(1,824,490)	3.68
Total net position, June 30*	6,173,031	(1,194,191)	6.17

*Implementation of GASB 68 relating to changes in Pension-related reporting for government-type entities

Requires that the liability of employers and nonemployer contributing entities to employees for defined benefit pensions (net pension liability) be measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position.

Where Do Liquor Revenues Go?

2017		To General Fund	Enterprise	Other Funds	
Revenue	Description	10000	50300		Grand Total
400200	6%-7% Sales & Use Tax	3,544,908			3,544,908
400340	25% LQR Excise Tax	19,131,238			19,131,238
400345	On Prem Direct Sales Tax	158,388			158,388
422005	DLC Merchant Sales		21,357,646		21,357,646
422015	DLC Credit Card Sales		35,976,120		35,976,120
460030	Bottle Deposits Collected		613,384		613,384
460035	Bottle Deposits Refunded		(516,219)		(516,219)
422025	Special Purchase Incentive		3,364,030		3,364,030
422030	Penalty/Relabel		69,654		69,654
Directly related to Liquor Sales		22,834,534	60,864,615	-	83,699,149
	MSA Tobacco Settlement fds			213,841	213,841
405000	License Fees		1,916,911		1,916,911
405380	GF Lic Fee portion	484,675			484,675
415000				1,800	1,800
415361	Late Fees	180			180
417755	Conference Funds				-
424315	Online Classroom		173,797	26,189	199,986
426205	Copies		300		300
427380	Tobacco Violations	10,120			10,120
427390	Alcohol Violations	49,850			49,850
430000	FDA Contract Reimb			264,609	264,609
440000	Grants			15,000	15,000
460000					
462500	Other Income			20,418	20,418
480000	Gain (Loss) on disp of fx asset		1,739		1,739
480001	Sale of Pallets			4,422	4,422
480030	Auction Proceeds			49,279	49,279
480500	Recoveries-General		10,115		10,115
485000					
490000				(392)	(392)
495000	PY Exp Reimb			18,795	18,795
Other Income		544,825	2,102,862	613,961	3,261,648
Gross Income:		23,379,359	62,967,477	613,961	86,960,797
523100	Commissions		6,661,309		6,661,309
523110	Handling Fees		122,251		122,251
523130	Liquor Purchase Expense		46,904,273		46,904,273
523140	Breakage and other loss		59,363		59,363
Cost of Goods Sold		-	53,747,196	-	53,747,196
Revenue less Expenses		23,379,359	9,220,281	613,961	33,213,601
DLC Operating Expenses					
DLC Administration			3,504,898		3,504,898
DLC Education and Enforcement			2,245,713	610,138	2,855,851
DLC Warehouse			1,490,199	84,427	1,574,626
Total Operating			7,240,810	694,565	7,935,375
BAA - Transfers		955,000	(955,000)		
Revenue less Expenses		24,334,359	1,024,471	(80,604)	25,278,226

2018 YTD		To General Fund	Enterprise	Other Funds		
Revenue	Description	10000	50300		Grand Total	Change
400200	6%-7% Sales & Use Tax	3,733,757			3,733,757	0.05
400340	25% LQR Excise Tax	19,898,250			19,898,250	0.04
400345	On Prem Direct Sales Tax	173,039			173,039	0.09
422005	DLC Merchant Sales		22,218,099		22,218,099	0.04
422015	DLC Credit Card Sales		36,933,611		36,933,611	0.03
422020	American Express CC		467,494		467,494	
460030	Bottle Deposits Collected		624,663		624,663	0.02
460035	Bottle Deposits Refunded		(501,235)		(501,235)	(0.03)
422025	Special Purchase Incentive	(113)	3,918,032		3,917,919	0.16
422030	LQR Penalties		(826)		(826)	(1.01)
Directly related to Liquor Sales		23,804,932	63,659,838	-	87,464,770	0.04
	MSA Tobacco Settlement fds			213,841	213,841	-
405000	License Fees		1,965,912		1,965,912	0.03
405380	GF Lic Fee portion	468,653			468,653	(0.03)
415000					-	(1.00)
415361	Late Fees	160			160	(0.11)
417755	Conference Funds				-	
424315	Educational Classes		201,173	49	201,222	0.01
426205	Copies		32		32	(0.89)
427380	Tobacco Violations	9,880			9,880	(0.02)
427390	Alcohol Violations	53,145			53,145	0.07
430000	FDA Contract Reimb*			313,965	313,965	0.19
440000					-	(1.00)
460000		260			260	
462500	Other Income	170	10,723	3,496	14,389	(0.30)
480000	Gain (Loss) on disp of fx asset				-	(1.00)
480001				5,970	5,970	0.35
480030	Auction Proceeds			20,106	20,106	(0.59)
480500	Recoveries-General				-	(1.00)
485000			10,171		10,171	
490000					-	(1.00)
495000	PY Exp Reimb			126,686	126,686	5.74
Other Income		532,268	2,188,011	684,113	3,404,391	0.04
Gross Income:		24,337,200	65,847,849	684,113	90,869,161	0.04
523100	Commissions		6,927,108		6,927,108	0.04
523110	Handling Fees		116,436		116,436	(0.05)
523130	Liquor Purchase Expense		44,689,731		44,689,731	(0.05)
523140	Breakage and other loss		45,560		45,560	(0.23)
Cost of Goods Sold		-	51,778,835	-	51,778,835	(0.04)
Revenue less COG		24,337,200	14,069,014	684,113	39,090,326	0.18
DLC Operating Expenses						
DLC Administration			5,170,785	1,686	5,172,471	0.48
DLC Education and Enforcement			2,326,642	499,886	2,826,528	(0.01)
DLC Warehouse			1,237,942		1,237,942	(0.21)
Total Operating			8,735,368	501,572	9,236,940	0.16
BAA - Transfers		1,055,000	(1,055,000)		-	
Revenue less Expenses		25,392,200	4,278,646	182,541	29,853,386	0.18

*Reimb from Previous Year

38,538

Vermont Agency Stores

Alburgh

Alburgh Beverage Mart
2 North Main Street • 796-3515
8 AM - 7 PM, Fri & Sat: 8 AM - 8 PM
Sun: 9 AM - 2 PM

Arlington

Heer, Inc
3713 Route 7A • 375-6427
8 AM - 8 PM, Sun: 10 AM - 5 PM

Barre

Beverage Baron
411 N. Main Street • 479-9227
6 AM - 9 PM, Fri: 6 AM - 10 PM
Sat: 7 AM - 10 PM, Sun: 7 AM - 9 PM

Bellows Falls

James Petro
97 Westminster Street • 463-4020
6 AM - 10 PM, Fri - Sat: 6 AM - 11 PM

Bennington

Bennington Beverage Outlet
125 Northside Drive • 442-4001
9 AM - 8 PM, Fri - Sat: 9 AM - 9 PM
Sun: 9 AM - 5 PM

Bethel

McCullough's Quik Stop
2069 Route 107 • 234-9365
5:30 AM - 9 PM, Sun: 7 AM - 9 PM

Bondville

7-Eleven
39 Route 30 • 297-0361
6 AM - 11 PM, 7 days

Bradford

Hannaford's
586 Lower Plain • 222-3370
9 AM - 9 PM, 7 days

Brandon

Hot Shot Beverage
34 Conant Square • 247-6785
10 AM - 7 PM, Fri - Sat: 10 AM - 8 PM
Sun: 10 AM - 4 PM

Brattleboro

Rite-Aid
896 Putney Road • 257-4440
8 AM - 9 PM, Sun: 9 AM - 6 PM

Bristol

Champlain Farms
3 West Street • 643-2971
6 AM - 11 PM, Sun: 7 AM - 10 PM

Burlington

Burlington Bay Market & Café
125 Battery Street • 864-0110
8 AM - 8 PM, 7 days

Pearl Street Beverage
240 Pearl Street • 658-1574
11 AM - 10:15 PM, Sun: Noon - 10 PM

802BWS
Ethan Allen Shopping Center,
North Avenue • 863-6728
10 AM - 9 PM, Sun: 10 AM - 7 PM

Chester

Chester Sunoco
60 Main Street • 875-5555
6 AM - Midnight, 7 days

Colchester

Dick Mazza's General Store
777 W. Lake Shore Drive • 863-1808
7 AM - 9 PM, Sun: 10 AM - 4 PM

Danville

From Barrel to Bottle
11 Route 2 East • 684-3800
10 AM - 6 PM, Fri - Sat: 10 AM - 8 PM
Sun: Closed

Derby Center

Derby Village Store
483 Main Street • 766-8113
7 AM - 9 PM, 7 Days

Enosburg Falls

Beverage Gallery
341 Main Street • 933-4767
Mon - Sat: 9 AM - 8 PM, Sun: 10 AM - 5 PM

Essex Center

Essex Discount Bev.
76 Center Road • 879-8951
6 AM - 10 PM, Fri - Sat: 6 AM - 11 PM
Sun: 6 AM - 10 PM

Essex

Five Corners Variety
39 Park Street • 879-7101
Sun - Thu: 7 AM - 9 PM
Fri - Sat: 7 AM - 10 PM

Fairfax

Minor's Country Store
874 Main Street • 849-6838
Fri: 6 AM - 9 PM, Sat: 7 AM - 10 PM
Sun: 7:30 AM - 9 PM

Fair Haven

Liberty Market
7 Liberty Street • 265-3820
8:30 AM - 9 PM, 7 days

Hardwick

Tops Market
82 Route 15 West • 472-6504
9 AM - 9 PM, Sun: 9 AM - 8 PM

Harmonyville

Harmonyville Store
1412 Route 30 • 365-9417
6:30 AM - 7 PM, Sat: 7 AM - 7 PM,
Sun: 8 AM - 2 PM

Hinesburg

116 Wine & Spirits
22 Commerce Street #4 • 482-4010
9 AM - 7 PM, Fri - Sat: 9 AM - 9 PM
Sun: 11 AM - 4 PM

Island Pond

Kingdom Market
12 Railroad Street • 723-5464
7 AM - 7 PM, 7 days

Jay

Jay Country Store
1077 VT-242 • 988-4040
6 AM - 8 PM, Wed - Thurs: 6 AM - 9 PM
Fri - Sat: 6 AM - 10 PM

Jeffersonville

Jeffersonville Country Store
21 Mill Street • 644-6300
9:30 AM - 7:30 PM, Fri - Sat: 9:30 AM -
8 PM, Sun: 10 AM - 6 PM

Johnson

Johnson's Sterling Market
131 Lower Main Street • 635-9001
7 AM - 8 PM, Sun: 7 AM - 7 PM

Killington

Cordially Yours
Killington Deli and Marketplace
2868 Route 4 • 747-4407
9 AM - 7 PM, 7 days

Londonderry

Jelley's Mobil
2102 Main Street • 824-4556
7 AM - 8 PM, Fri - Sat: 7 AM - 9 PM
Sun: 7 AM - 7 PM

Ludlow

Brewfest Beverage Co.
199 Main Street • 228-4261
10 AM - 8 PM, Fri - Sat: 10 AM - 9 PM

Lyndonville

Lyndonville Redemption
406 Broad Street • 626-8348
7 AM - 10 PM, 7 days

Manchester

Manchester Discount Beverage
380 Depot Street • 362-4075
8 AM - 9 PM, Sun: 8 AM - 7 PM

Middlebury

Hannaford's Food & Pharmacy
260 Court Street #6 • 388-2102
9 AM - 9 PM, Fri - Sat: 9 AM - 10 PM

Milton

Middle Road Market
69 Middle Road • 893-4844
6 AM - 9:30 PM, Sun: 7 AM - 9 PM

Montgomery Center

Sylvester's Market
20 Main Street • 326-4561
7 AM - 9 PM, Sun: 8 AM - 6 PM

Montpelier

Yankee Wine & Spirits
126 Main Street • 223-2331
9 AM - 7:30 PM, Fri & Sat: 9 AM - 9 PM
Sun: 11 AM - 5 PM

Morrisville

Tomlinson's Store, Inc.
81 Bridge Street • 888-3120
6 AM - 9 PM, Sun: 7 AM - 7 PM

Newport

**Azur's Mini Mart and
Little G's Deli**
33 Railroad Square • 334-8195
7 AM - 9 PM, Fri - Sat: 7 AM - 10 PM,
Sun: 8 AM - 6 PM

Northfield

**Convenience Plus
Redemption & Deli**
438 North Main Street • 485-6300
6 AM - Midnight, Sun: 6 AM - 10 PM

Norwich

Norwich Wines and Spirits
289 Main Street • 649-1970
9 AM - 6 PM, Fri: 9 AM - 7 PM,
Sat: 9 AM - 6 PM, Sun: Closed

Orleans

Olney's General Store
72 Main Street • 754-6365
6 AM - 8 PM, Sun: 7 AM - 4 PM

Poultney

Full Belly Deli & Beverage
206 Main Street • 884-8082
10 AM - 9 PM, Sun: 10 AM - 8 PM

Pownal

Dwyer's State Line Beer & Wine
7324 Route 7 • 823-7912
9 AM - 8 PM, Fri - Sat: 9 AM - 9 PM
Sun: 9 AM - 7 PM

Proctorsville

Singleton's Store
356 Main Street • 226-7666
8 AM - 7 PM, 7 days

Randolph

M & M Beverage
6 Salisbury Street • 728-9912
7 AM - 10 PM, Sun: 8 AM - 8 PM

Richford

Wetherby's Quick Stop
75 Main Street • 848-3550
6 AM - 7 PM, 7 days

Richmond

Richmond Market & Beverage
56 Railroad Street • 434-4550
Mon - Sat: 7 AM - 8 PM
Sun: 7 AM - 7 PM

Rochester

Mac's Market
67 North Main Street • 767-3181
7 AM - 8 PM, Sun: 7 AM - 6 PM

Rutland City

Tops Market
12 North Main Street • 747-4908
9 AM - 9 PM, Sun: 9 AM - 6 PM

Rutland Town

Hannaford's Food & Pharmacy
318 South Main Street • 775-0820
9 AM - 9 PM, Fri - Sat: 9 AM - 10 PM

St. Albans City

Beverage Mart
211 Lake Street • 527-7437
6:30 AM - 10 PM, 7 days

St. Albans Town

Colonial Mart
191 Swanton Road • 527-7179
6 AM - 10 PM, Fri: 6 AM - 11 PM
Sat: 7 AM - 10 PM, Sun: 8 AM - 10 PM

St. Johnsbury

Price Chopper
857 Memorial Drive • 748-1109
9 AM - 7 PM, Fri - Sat: 9 AM - 6 PM
Sun: 9 AM - 6 PM

Sharon

Sharon Trading Post
5038 Route 14 • 763-7404
7 AM - 9 PM, Sat: 7:30 AM - 9 PM
Sun: 8 AM - 8 PM

Shelburne

Route 7 Liquor & Deli
2659 Shelburne Road • 985-3246
6 AM - 10 PM, Thu - Fri: 6 AM - 11 PM
Sat: 7 AM - 11 PM, Sun: 7 AM - 10 PM

South Burlington

Gracey's
26 Hinesburg Road, Unit #1
862-9543
9 AM - 8:30 PM, Thu: 9 AM - 9:30 PM,
Fri - Sat: 9 AM - 10:30 PM,
Sun: 11 AM - 8 PM

Simon's Store

974 Shelburne Road • 862-8011
6 AM - 12 PM, 7 days

South Hero

Keeler's Bay Variety
500 Rt. 2 • 372-4465
6 AM - 9 PM, Fri: 6 AM - 9:30 PM
Sat: 7 AM - 9:30 PM, Sun: 9 AM - 6 PM

Springfield

Joe's Discount Beverage
355 River Street • 885-3555
9 AM - 7 PM, Tue - Thur: 9 AM - 8 PM
Fri - Sat: 9 AM - 9 PM, Sun: 10 AM - 5 PM

Stowe

Stowe Beverage
1880 Mountain Road • 253-4525
9 AM - 9 PM, Sun: 11 AM - 6 PM

Swanton

Northside Beverage & Spirits
75 First Street • 868-5139
9 AM - 8:30 PM, Fri - Sat: 9 AM - 9 PM
Sun: 9 AM - 6 PM

Vergennes

Vergennes Wine & Beverage Inc.
211 Main Street • 877-6312
9 AM - 7 PM, Sun: 11 AM - 5 PM

Waitsfield

Mehuron's Market
5121 Main Street • 496-3700
8 AM - 8 PM, Sun: 8 AM - 6 PM

Waterbury

Crossroads Beverage & Deli
52 North Main Street • 244-5062
6 AM - 10 PM, Sat: 7 AM - 10 PM

West Brattleboro

Brattleboro Discount Beverages
157 Marlboro Road • 254-4950
7 AM - 10 PM, Fri - Sat: 7 AM - Midnight
Sun: 8 AM - 10 PM

West Dover

7-Eleven
197 Route 100 • 464-0592
6 AM - 12 AM, 7 days

Westmore

Willoughby Lake Store
2003 VT-5A • 525-3300
7 AM - 9 PM, 7 days

West Rutland

Rite Aid
294 Main Street • 438-5530
9 AM - 9 PM, Sun: 9 AM - 5 PM

White River Junction *

Jake's Market & Deli
521 North Hartland Road • 698-8601
6 AM - 9 PM, 7 days

Williston

Hannaford's Food & Pharmacy
78 Marshall Avenue, Taft Corners
878-0032
9 AM - 9 PM, Fri - Sat: 9 AM - 10 PM
Sun: 9 AM - 9 PM

Wilmington

Ratu's Liquor & Market
34 West Main Street • 464-2252
Sun - Wed: 10:30 AM - 7 PM
Thur - Sat: 10:30 AM - 9 PM

Windsor

Windsor Wine & Spirits
The Windsor House, 54 Main Street
674-2775 • 10 AM - 6 PM,
Sun: Closed

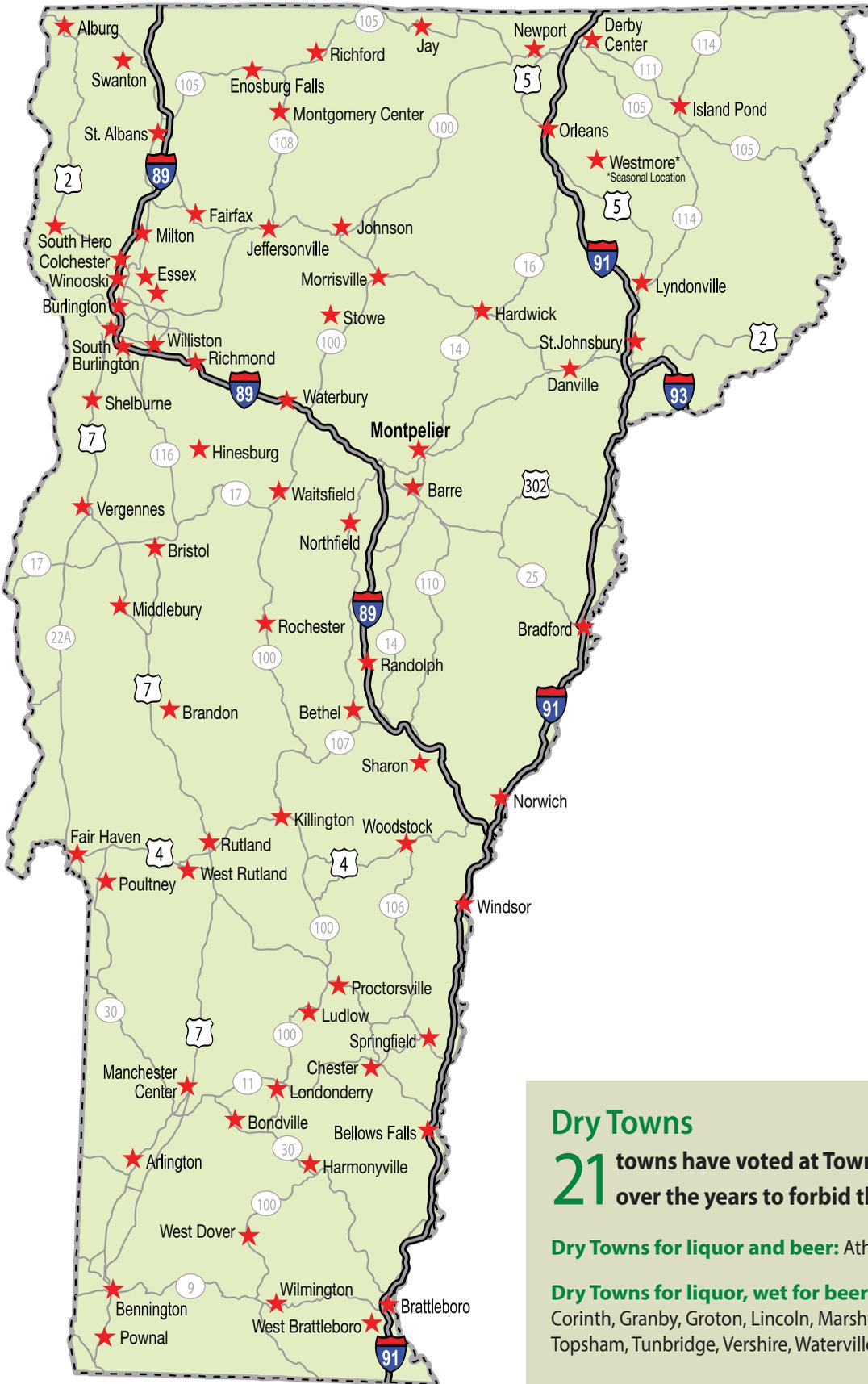
Winooski

Beverage Warehouse
1 East Street • 655-3701
10 AM - 9 PM, Fri - Sat: 10 AM - 10 PM
Sun: 11 AM - 6 PM

Woodstock

Woodstock Discount Beverage
512 East Woodstock Road • 457-1326
9 AM - 9 PM, Fri - Sat: 9 AM - 10 PM
Sun: 10 AM - 6 PM

* Closed Oct. 31, 2018



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75+ Locations to Serve You

No matter where you are, a Vermont Liquor Store is nearby.

Agency Store Sales By County

Total Retail Sales

Addison County	.....	\$3,528,596
Bennington County	.....	\$6,343,002
Caledonia County	.....	\$2,862,608
Chittenden County	.....	\$25,132,205
Essex County	.....	\$206,021
Franklin County	.....	\$4,775,201
Grand Isle County	.....	\$1,065,930
Lamoille County	.....	\$5,069,068
Orange County	.....	\$1,384,983
Orleans County	.....	\$2,359,770
Rutland County	.....	\$8,428,444
Washington County	.....	\$7,718,241
Windham County	.....	\$4,988,204
Windsor County	.....	\$5,667,990

Dry Towns
21 towns have voted at Town Meeting Day over the years to forbid the sale of alcohol.

Dry Towns for liquor and beer: Athens, Baltimore, Holland, Maidstone

Dry Towns for liquor, wet for beer and wine: Addison, Albany, Corinth, Granby, Groton, Lincoln, Marshfield, Monkton, Pomfret, Rupert, Topsham, Tunbridge, Vershire, Waterville, Wells, Wolcott, Worcester



13 Green Mountain Drive
Montpelier, VT 05602

800-642-3134 (toll free within VT)
802-Spirits (802-774-7487) local
802Spirits.com

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